

**S. 1648, Launch Communications Act**

As passed by the Senate on October 31, 2023

By Fiscal Year, Millions of Dollars	2024	2024-2028	2023-2033
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034?	No	Statutory pay-as-you-go procedures apply? <b>No</b>	
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034?	No	<b>Mandate Effects</b>	
		Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
* = between zero and \$500,000.			

S. 1648 would require the Federal Communications Commission (FCC) to issue final rules within 90 days of enactment related to an ongoing rulemaking that would permit businesses to use certain radio frequencies during commercial space launches and reentries. In addition, the act would require the FCC to issue rules to streamline the application process for businesses to use such frequencies. Those rules would modify the process for authorizing commercial space launches from public and private sites, improve coordination between the FCC and the National Telecommunication and Information Administration (NTIA) to increase the speed of the application review process, and automate this process for commercial space launches and reentries.

**Costs for the Federal Communications Commission**

Using information from the FCC, CBO estimates that it would cost \$8 million over the 2024-2028 period to complete both rulemakings and build and maintain the automated application system required by the act. However, because the FCC is authorized to collect fees each year sufficient to offset the appropriated costs of its regulatory activities, CBO estimates that the net cost to the FCC would be negligible, assuming appropriation actions consistent with that authority.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)

CBO expects that the FCC would need seven employees to issue final rules within the 90-day period required by S. 1648 for the ongoing proceeding and eight employees over 180 days to issue final rules to streamline the application process. In total, CBO expects it would cost the agency \$1 million in 2024 and 2025 to complete both rulemaking processes.

In addition, based on the cost of establishing and maintaining other information technology systems, CBO estimates that it would cost \$7 million over the 2024-2028 period to build and maintain an automated licensing system. Those costs would include updating data collection forms and processes, modifying the online data entry portal, and changing database tables. CBO expects that the cost for the NTIA to consult with the FCC about the rulemakings would not be significant.

### **Mandates**

S. 1648 would impose private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate cost would not exceed the threshold established in UMRA (\$198 million in 2023, adjusted annually for inflation).

If the FCC increased fees to offset the costs associated with implementing the legislation, S. 1648 would increase the cost of an existing mandate on private entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small.

The act would also require entities conducting commercial space launches and reentries to coordinate with the NTIA. The cost to comply with the mandate would be small because of the small number of launches and reentries affected by the legislation.

S. 1648 contains no intergovernmental mandates as defined in UMRA.

### **Previous Estimate**

On April 20, 2023, CBO transmitted a [cost estimate for H.R. 682](#), the Launch Communications Act, as ordered reported by the House Committee on Energy and Commerce on March 24, 2023. The two pieces of legislation are similar, and CBO's estimate of their net budgetary effects is the same. The estimated cost to the FCC to implement S. 1648 is lower than for H.R. 682 because the FCC has completed additional rulemaking activities since April 20, 2023, and would thus need fewer people to implement this act.

The CBO staff contacts for this estimate are Zunara Naeem (for federal costs) and Rachel Austin (for Mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.



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