Congressional Budget Office
Cost Estimate

February 20, 2025

At a Glance

Commerce Legislation

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on February 5, 2025

On February 5, 2025, the Senate Committee on Commerce, Science, and Transportation ordered reported 17 bills. This comprehensive document provides estimates for 5 of those bills.

All five bills would increase spending subject to appropriation. S. 281 and S. 314 would affect revenues; thus, pay-as-you-go procedures apply to those bills. CBO estimates that none of the bills would increase net direct spending or deficits in any of the four consecutive 10-year periods beginning in 2036. S. 281 contains private-sector mandates and S. 314 contains intergovernmental and private-sector mandates. Details of the estimated costs of each are discussed in the text.

Bill	Net Increase or Decrease (-) in the Deficit Over the 2025-2035 Period (Millions of Dollars)	Changes in Spending Subject to Appropriation Over the 2025-2030 Period (Outlays, Millions of Dollars)	Mandate Effects?
S. 99	0	2	No
S. 195	0	*	No
S. 245	0	*	No
S. 281	*	4	Yes
S. 314	*	4	Yes

* = between -$500,000 and $500,000.

Detailed estimate begins on the next page.

Summary of Legislation

On February 5, 2025, the Senate Committee on Commerce, Science, and Transportation ordered reported a total of 17 bills. This document provides estimates for 5 of those bills.

S. 99, S. 195, and S. 245 would require the Department of Commerce to study supply chains, promote music tourism, and establish a working group on cyber insurance; S. 281 and S. 314 would direct the Federal Trade Commission (FTC) to enforce new prohibitions related to ticket prices for live events and hotel prices.

Estimated Federal Cost

The estimated costs do not include any effects of interactions among the bills. If all five bills were combined and enacted as a single piece of legislation, the estimated costs could be different from the sum of the separate estimates, although CBO expects that any differences would be small. The costs of the legislation fall within budget function 370 (commerce and housing credit).

Basis of Estimate

For these estimates, CBO assumes that the bills will be enacted near the middle of fiscal year 2025 and that the estimated amounts will be appropriated each year. CBO estimates that all five bills would affect spending subject to appropriation and that S. 281 and S. 314 would affect revenues.

S. 99, Strengthening Support for American Manufacturing Act, would require the Department of Commerce to contract with the National Academy of Public Administration to study programs operated by the department that aim to improve the resilience of critical supply chains and provide technical assistance to U.S. manufacturers. The report would identify interagency gaps and duplicative responsibilities among offices and recommend improvements.

Using information from the Department of Commerce, CBO estimates that completing the study would cost $2 million over the 2025-2030 period, including employee and contracting costs. Any related spending would be subject to the availability of appropriated funds.

S. 195, American Music Tourism Act of 2025, would require the Assistant Secretary of Commerce for Travel and Tourism to promote music tourism in the United States and periodically report to the Congress. In 2024, the Assistant Secretary received $3.5 million to carry out the requirements of the Visit America Act, a 2022 law to promote travel and tourism in the United States.

Using information about the Assistant Secretary’s responsibilities under current law, CBO estimates that implementing the requirements in the bill would cost less than $500,000 over

the 2025-2030 period. Any related spending would be subject to the availability of appropriated funds.

S. 245, Insure Cybersecurity Act of 2025, would require the National Telecommunications and Information Administration to establish an interagency working group on cyber insurance, composed of members from the Cybersecurity and Infrastructure Security Agency, Department of Justice, Department of the Treasury, National Institute of Standards and Technology, and the FTC. The working group would be required to report to the Congress no later than one year after it forms.

Using information about the cost of similar working groups, CBO estimates that implementing the bill would cost less than $500,000 over the 2025-2026 period. Any related spending would be subject to the availability of appropriated funds.

S. 281, TICKET Act, would require companies that issue tickets or that sell tickets on the secondary market to clearly display the total price of any ticket, including itemizing any fees not included in the base ticket price. The bill also would prohibit entities from offering or advertising tickets that they do not possess, require entities to clearly disclose if a ticket is for re-sale, and direct ticket sellers to refund buyers if an event is cancelled. Those requirements would apply to live events at venues with an attendance capacity of 200 people or more. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates implementing the bill would cost the FTC $4 million over the 2025-2030 period to issue guidance and to monitor and enforce violations. Any related spending would be subject to the availability of appropriated funds. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the budget as revenues, by an insignificant amount.

S. 314, Hotel Fees Transparency Act of 2025, would require providers of short-term lodging and websites that advertise or offer such lodging to display upfront the full lodging price and each mandatory fee required to complete a booking. The FTC would enforce those requirements.

Based on the cost of similar provisions, CBO estimates implementing the bill would cost the FTC $4 million over the 2025-2030 period to issue guidance and to monitor and enforce violations. Any related spending would be subject to the availability of appropriated funds. In addition, CBO estimates that enacting the bill could increase civil penalty collections, which are recorded in the budget as revenues, by an insignificant amount.

Pay-As-You-Go Considerations

CBO estimates that enacting S. 281 and S. 314 would each increase revenues by less than $500,000 over the 2025-2035 period; therefore, pay-as-you-go procedures apply to those bills.

Increase in Long-Term Net Direct Spending and Deficits

CBO estimates that none of the bills would increase net direct spending or deficits in any of the four consecutive 10-year periods beginning in 2036.

Mandates

Two of the bills ordered reported by the committee contain mandates, as defined in the Unfunded Mandates Reform Act (UMRA).

S. 281, TICKET Act, would impose private-sector mandates as defined in UMRA on ticket sellers and resellers by requiring certain changes, including new refund policies to the ticketing process. CBO estimates the aggregate cost to comply with the mandates would be above the threshold established in UMRA for private-sector mandates ($206 million in 2025, adjusted annually for inflation).

Under the bill, if an event is cancelled, ticket sellers and resellers would be required to provide a refund of the full ticket price, including taxes and fees, to ticket purchasers. If an event is postponed, sellers and resellers would be required to provide customers either a full refund or a replacement ticket, if available, subject to the customer's preference. Sellers also would be required to disclose this refund policy. The bill allows for exceptions to this policy in cases where the cancellation or postponement is beyond the control of the ticker issuer, such as natural disasters. Based on discussions with industry sources, a substantial share of sellers and resellers already provide full refunds for cancelled events but few offer refunds for postponed events. Considerable uncertainty surrounds the ways that federal regulations might define what is within the control of the issuer in the event of a cancellation or postponement or what might constitute comparable replacement events. Given the large size of the industry and the amount of revenue generated by ticketed events, CBO estimates that the cost of this mandate would exceed the threshold for private-sector mandates.

S. 281 also would require ticket sellers and resellers to make certain up-front disclosures to consumers. They would need to disclose the ticket prices, including taxes and fees. Those disclosures would occur at the time a ticket is first displayed to a consumer and in any advertisements or marketing. The bill also would require ticket sellers and resellers to provide an itemized list of the base price and all fees. Information from industry sources indicates that most ticket sellers have already begun to provide the total cost to consumers in advance; thus, CBO expects the additional requirements in the bill to have small costs.

The bill also would require ticket resellers to disclose to consumers that they are resellers before any purchase is complete. Sellers and resellers would be prohibited from selling or advertising any ticket that the seller does not have actually or constructively possess. In certain instances, sellers also would be prohibited from revealing to consumers and using the name of venues, teams, artists, and events in their online domain names. CBO expects that those disclosures and prohibitions would impose minimal costs on the sellers.

The bill contains no intergovernmental mandates as defined in UMRA.

S. 314, Hotel Fees Transparency Act of 2025, would impose intergovernmental and private-sector mandates as defined in UMRA. CBO estimates that the cost to comply with those mandates would not exceed thresholds established in UMRA ($103 million and $206 million in 2025, respectively, adjusted annually for inflation).

The bill would preempt state and local laws governing the display of prices for short-term lodging. Although the preemptions would limit the application of state and local laws, it would impose no duty on state or local governments that would result in significant spending or loss of revenues.

The bill would require hotels, short-term rentals, online booking websites, and any other third-party temporary accommodation sellers to disclose upfront the total price of lodging, including any government-imposed fees. Information from industry sources and the FTC indicates that several lodging providers already comply with provisions in the bill. In addition, an FTC final rule, set to go into effect in April, will require short-term lodging sellers to disclose all associated fees to customers. CBO expects the cost for other entities to comply would be small because many providers already comply and those who do not already possess the fee information required to be displayed.

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