



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

July 7, 1999

**S. 1258**

**Patent Fee Integrity and Innovation Act of 1999**

*As passed by the Senate on July 1, 1999*

CBO estimates that implementing S. 1258 would not have a significant effect on the federal budget. The act would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1258 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

S. 1258 would authorize the appropriation of \$116 million for the Patent and Trademark Office (PTO) in fiscal year 2000, to be derived from fees collected in fiscal years 1999 and 2000. The act would prohibit PTO from charging new fees to pay for the accrued indirect personnel costs associated with post-retirement health and life insurance of employees.

Under current law, PTO collects a number of user fees that are spent by the agency to the extent provided in appropriation acts. Last year, the Congress limited the amount of 1999 fee income that PTO can obligate in 1999, resulting in an advance appropriation for 2000 that CBO estimates will total \$167 million. Hence, S. 1258's authorization of \$116 million is already encompassed by the advance appropriation available under current law.

On June 7, 1999, CBO transmitted a cost estimate of H.R. 1225, the United States Patent and Trademark Office Reauthorization Act, Fiscal Year 2000, as ordered reported by the House Committee on the Judiciary on May 26, 1999. H.R. 1225 and S. 1258 are identical, as are the two estimates.

The CBO staff contact is Mark Hadley. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.