



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

June 24, 1998

**S. 2071**

**A bill to extend a quarterly financial report program administered by  
the Secretary of Commerce**

*As ordered reported by the Senate Committee on Governmental Affairs on June 17, 1998*

**SUMMARY**

S. 2071 would extend, until September 30, 2005, the requirement for the Bureau of the Census to produce its Quarterly Financial Report (QFR). Assuming appropriation of the necessary amounts, CBO estimates that preparation and publication of this report would cost about \$16 million over the 1999-2003 period.

S. 2071 would not affect direct spending or receipts; therefore, pay-as-you go procedures would not apply. The bill contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

S. 2071 would impose a private-sector mandate because it would extend the Secretary's authority to require certain businesses to file reports and answer inquiries about business operations, organizations, practices, management, and relationships to other businesses.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

For the purposes of this estimate, CBO assumes that S. 2071 will be enacted by the end of fiscal year 1998, and that the estimated amounts necessary to implement the bill will be appropriated by the start of each fiscal year. Estimated outlays are based on historical spending patterns for the Bureau of the Census and information provided by the agency. The estimated budgetary impact of S. 2071 is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law						
Budget Authority <sup>a</sup>	3	0	0	0	0	0
Estimated Outlays	3	1	b	0	0	0
Proposed Changes						
Estimated Authorization Level	0	3	4	4	4	4
Estimated Outlays	0	2	3	3	4	4
Spending Under S. 2071						
Estimated Authorization Level <sup>a</sup>	3	3	4	4	4	4
Estimated Outlays	3	3	3	3	4	4

a. The 1998 level is the amount appropriated for that year.

b. Less than \$500,000.

## **BASIS OF ESTIMATE**

The Quarterly Financial Report provides current statistics on the financial performance and conditions of domestic manufacturing, mining and trade corporations, based on an extensive sample of such corporations. In 1998, the Bureau of the Census plans to spend approximately \$3 million on the QFR, and most of the costs are for personnel. Assuming that the bureau would maintain the current level of effort over the 1999-2003 period, the cost to the government would range between \$3 million and \$4 million a year.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

The bill contains no intergovernmental mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

S. 2071 would extend the Secretary's authority to require certain businesses to file reports and answer inquiries about business operations, organizations, practices, management, and relationships to other businesses.

CBO estimates that direct costs of this private-sector mandate would fall well below the statutory threshold (\$100 million in 1996, adjusted for inflation). Based on information from the Census Bureau, we expect that the costs to the private sector would be approximately \$1 million per year, about the same as they are now.

### **ESTIMATE PREPARED BY:**

Federal Costs: Mark Hadley  
Impact on the Private Sector: Matt Eyles

### **ESTIMATE APPROVED BY:**

Robert A. Sunshine  
Deputy Assistant Director for Budget Analysis