



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 2, 2000

S. 1089

Coast Guard Authorization Act of 2000

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on April 13, 2000*

SUMMARY

S. 1089 would authorize appropriations totaling \$7.1 billion for discretionary programs of the U.S. Coast Guard (USCG)—primarily for fiscal years 2000 and 2001. Of that total, \$3.2 billion has already been appropriated for 2000. In addition to that spending, appropriating the remaining amounts would cost \$3.9 billion over the 2000-2005 period.

For 2000, the bill would authorize about \$3.3 billion, including about \$2.8 billion for operating expenses, \$489 million for acquisition and other capital projects, \$19 million for research activities, \$15 million for bridge alterations, and \$17 million for environmental compliance.

For 2001, the bill would authorize \$3.8 billion, including \$3.2 billion for operations, \$540 million for capital projects, \$21 million for research, \$15 million for bridge alterations, and \$17 million for environmental compliance. For fiscal year 2002, the bill would authorize an additional \$48 million for equipment acquisition and construction projects.

Of the amounts authorized for each of fiscal years 2000 and 2001, \$48.5 million would be derived from the Oil Spill Liability Trust Fund (OSLTF). S. 1089 also would authorize the appropriation of whatever sums are necessary for retirement benefits in 2000 and 2001.

S. 1089 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no significant costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

Assuming appropriation of the entire amounts authorized for discretionary programs, fiscal year 2000 funding would be \$103 million (or 3 percent) more than 2000 appropriations to date. Funding for 2001 would grow by 14 percent. The estimated budgetary effects of the legislation are summarized in the following table. The costs of this legislation fall within budget functions 300 (natural resources and environment) and 400 (transportation).

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION						
USCG Spending Under Current Law						
Budget Authority/Authorization Level ^a	3,219	29	0	0	0	0
Estimated Outlays	3,345	992	362	153	49	30
Proposed Changes						
Authorization Level	103	3,764	48	0	0	0
Estimated Outlays	21	2,691	685	265	146	46
USCG Spending Under S. 1089						
Authorization Level ^a	3,322	3,793	48	0	0	0
Estimated Outlays	3,366	3,683	1,047	418	195	76

a. The 2000 level is the amount appropriated for the year to date.

Amounts for Coast Guard retirement have not been included in the above table because such pay is an entitlement under current law, requiring no annual authorization of appropriations.

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that S. 1089 will be enacted during fiscal year 2000, and that the full amounts authorized for USCG programs will be appropriated for each fiscal year.

The additional authorizations for 2000 and 2001 are the amounts stated in the bill for discretionary accounts, excluding \$28.5 million of the \$48.5 million to be derived from the OSLTF. (These amounts, which consist of \$25 million for Coast Guard operations and \$3.5 million for research, have been excluded because such funding is already authorized

under existing law.) Outlay estimates are based on historical spending patterns for Coast Guard programs.

Other provisions of S. 1089 are not expected to have any significant impact on the federal budget.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1089 contains no intergovernmental mandates as defined in UMRA and would have no impact on the budgets of state, local, or tribal governments.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 1089 would extend from 3 miles to 12 miles the territorial sea of the United States for purposes of enforcing portions of the Vessel Bridge-to-Bridge Radiotelephone Act. The bill would extend the territorial sea coverage of existing private-sector mandates that require foreign flag vessels to monitor specific radio frequencies for safety purposes. Based on information provided by the Coast Guard, CBO estimates that this bill should impose no additional costs on the private sector because the same number of ships would be affected as under current law.

PREVIOUS CBO ESTIMATE

On March 11, 1999, CBO transmitted a cost estimate for H.R. 820, the Coast Guard Authorization Act of 1999, as ordered reported by the House Committee on Transportation and Infrastructure on March 11, 1999. Differences in the two estimates reflect the lower authorization levels contained in S. 1089, which would authorize \$0.8 billion less for fiscal year 2000 and \$0.3 billion less for 2001. S. 1089 also would authorize an additional \$48 million for 2002, while H.R. 820 would not authorize any funding for 2002.

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