



**CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE**

November 22, 1999

S. 1398

**An act to clarify certain boundaries on maps relating to the Coastal
Barrier Resources System**

As cleared by the Congress on November 17, 1999

CBO estimates that enacting S. 1398 would affect direct spending, but we expect that the net effect would be negligible. The act would correct maps of the Coastal Barrier Resources System in North Carolina to include within the system 3,060 acres of the Cape Hatteras National Seashore and exclude 141 acres of developed land. This change would enable local property owners occupying the excluded acreage to obtain federal flood insurance. Once insurance policies have been written on the affected properties, offsetting collections from premiums paid into the national flood insurance fund would increase by less than \$200,000 per year. Collections would be partially offset by new mandatory spending for underwriting and administrative expenses. The federal government might also incur additional costs for losses associated with any future floods that might affect this land, but CBO has no basis for predicting such floods or their resulting costs.

The CBO staff contact is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.