



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 2, 2001

S. 1550

Rail Security Act of 2001

*As reported by the Senate Committee on Commerce, Science, and Transportation on
October 17, 2001*

SUMMARY

S. 1550 would authorize the appropriation of about \$1.8 billion to Amtrak. Of this total, \$515 million would be for improving security throughout the rail system; \$998 million would be for completing New York tunnel projects and rehabilitating tunnels in Washington, D.C., and Baltimore, Maryland; and \$254 million would be for increasing accessibility to Penn Station in New York City, renovating certain bridges in Connecticut, and making improvements to Amtrak's radio communications system.

In addition to the specified authorizations cited above, S. 1550 would require the Department of Transportation (DOT) to identify regulations that could be revised to improve rail safety and security, clarify the authority of police officers who work for rail carriers, and require DOT to assess the security of rail transportation and make recommendations for its improvement. CBO estimates that it would cost less than \$500,000 a year for DOT to review its regulations, assess the security of rail transportation, and publish its recommendations.

CBO estimates that implementing S. 1550 would cost about \$1.3 billion over the 2002-2006 period, and an additional \$448 million after 2006. S. 1550 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 1550 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1550 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2002	2003	2004	2005	2006
CHANGES IN SPENDING SUBJECT TO APPROPRIATION ^a					
Estimated Authorization Level	789	80	100	150	200
Estimated Outlays	789	80	100	150	200

a. Additional amounts of about \$450 million would be spent after 2006.

BASIS OF ESTIMATE

For this estimate, CBO assumes S. 1550 will be enacted in the fall of 2001 and that the necessary amounts for annual grants to AMTRAK will be appropriated in each year.

For this estimate, CBO assumes all funds that would be authorized for Amtrak by the bill would be appropriated over the next 10 years. Currently, DOT makes appropriations immediately available to Amtrak for short-term capital projects. CBO expects that DOT would continue this practice for the security improvements (\$515 million), and for Penn Station, Connecticut bridges, and improvements to AMTRAK's radio communications system (\$254 million).

In contrast to these short-term projects, CBO expects that the tunnel work in New York, Washington, and Baltimore would be completed over the next nine years. Assuming appropriation of the authorized amounts, CBO expects that DOT would provide the \$998 million authorized for this work on a reimbursable basis, as the Department has done for other long-term capital projects in the past.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1550 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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