



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 13, 1999

### **H.R. 1551**

### **Civil Aviation Research and Development Authorization Act of 1999**

*As ordered reported by the House Committee on Science on April 29, 1999*

#### **SUMMARY**

H.R. 1551 would authorize the appropriation of \$648 million in fiscal year 2000 and \$676 million in fiscal year 2001 for the Federal Aviation Administration's (FAA's) civil aviation research and development (R&D) programs. The bill also would direct the FAA to exclude from consideration for grant agreements any person who received funds after fiscal year 1999 under a grant agreement for a project that was not subject to a competitive, merit-based award process.

CBO estimates that implementing H.R. 1551 would result in outlays of \$1,324 million over the 2000-2004 period, assuming appropriation of the authorized amounts. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 1551 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**

CBO estimates that implementing the bill would result in additional outlays of \$256 million in fiscal year 2000 and a total of \$1,324 million over the 2000-2004 period, assuming appropriation of the authorized amounts. H.R. 1551 specifies that appropriations made under the bill's authorizations be used for all R&D activities carried out by FAA that fall within the categories of basic research, applied research, and design and development of prototypes. The estimated budgetary impact of H.R. 1551 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

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	By Fiscal Year, in Millions of Dollars					
	1999	2000	2001	2002	2003	2004

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**SPENDING SUBJECT TO APPROPRIATION**

FAA Spending on R&D Under Current Law						
Budget Authority <sup>a</sup>	623	0	0	0	0	0
Estimated Outlays	624	373	150	43	0	0
Proposed Changes						
Authorization Level	0	648	676	0	0	0
Estimated Outlays	0	256	517	361	150	40
FAA Spending on R&D Under H.R. 1551						
Authorization Level <sup>a</sup>	623	648	676	0	0	0
Estimated Outlays	624	629	667	404	150	40

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a. The 1999 level is the amount appropriated for that year.

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H.R. 1551 would direct the FAA to exclude from consideration for grant agreements any person who received funds after fiscal year 1999 under a grant agreement from any federal funding source for a project that was not subjected to a competitive, merit-based award process. The bill would place the exclusion in effect for five years after the person received such funds. Based on information from FAA, we expect that implementing this provision would require the agency to revise its process for reviewing and awarding grants and would temporarily slow down the rate at which the agency spends its grants funds, resulting in slightly lower estimated outlays for fiscal year 2000 than would otherwise occur (without the new process for awarding grants). However, CBO estimates that this provision would have no net effect on outlays over the 2000-2004 period.

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

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

H.R. 1551 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. A total of about \$70 million of the funds authorized in this bill would be used to provide grants, some of which would be used for research at public universities and technical institutions.

The bill would also exclude grantees from consideration for awards if they had received funds under any other federal grant program that was not subject to a competitive, merit-based award process after fiscal year 1999. This provision could change the allocation of funds among grant recipients, including public colleges and universities. However, CBO cannot predict how the share of funding awarded to public colleges and universities would change because of this provision.

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

This bill contains no new private-sector mandates as defined in UMRA.

### **ESTIMATE PREPARED BY:**

Federal Costs: Victoria Heid Hall

Impact on State, Local, and Tribal Governments: Lisa Cash Driskill

### **ESTIMATE APPROVED BY:**

Paul N. Van de Water

Assistant Director for Budget Analysis