



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 28, 2000

S. 2487

Maritime Administration Authorization Act for Fiscal Year 2001

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on June 15, 2000*

SUMMARY

Assuming appropriation of the amounts authorized by S. 2487, CBO estimates that the federal government would spend about \$80 million, mostly over the next year, to carry out ongoing maritime programs. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 2487 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.

S. 2487 would authorize the appropriation of \$80 million for operation and training activities of the Maritime Administration (MARAD) during fiscal year 2001. The bill also would authorize \$54 million for fiscal year 2000 loan guarantees and related administrative expenses, as already authorized under the Merchant Marine Act of 1936. Section 7 of the bill would direct MARAD to conduct a study of maritime research and development. The study would examine, among other funding issues, the relative amount of federal funding historically provided to maritime programs as compared to those of other modes of transportation. For the purpose of carrying out this study over the next nine months, the bill would authorize the appropriation of \$100,000. Other provisions of the bill, most of which would require MARAD to complete various studies and reports, would have no significant effect on the federal budget.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of the bill is shown in the following table. The costs of this legislation fall within budget function 400 (transportation). For this estimate, CBO assumes that the entire amount authorized for MARAD operation and training activities for fiscal year 2001 will be appropriated for that year. The estimate of outlays is based on historical spending patterns for MARAD. Because appropriations for maritime loan guarantees and

related administrative costs are already authorized under existing law, the budgetary effects of S. 2487 would be limited to the \$80 million of authorized expenditures for MARAD operations and training programs and the \$100,000 for a new study.

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION						
MARAD Spending Under Current Law						
Budget Authority ^a	73	0	0	0	0	0
Estimated Outlays	82	11	4	0	0	0
Proposed Changes						
Authorization Level ^b	0	80	0	0	0	0
Estimated Outlays	0	68	8	4	0	0
MARAD Spending Under S. 2487						
Authorization Level ^a	73	80	0	0	0	0
Estimated Outlays	82	79	12	4	0	0

a. The 2000 level is the amount appropriated for that year.

b. No amounts are included as proposed changes for loan guarantee subsidies or administrative costs because those amounts are already authorized under current law.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

The bill 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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