



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 8, 2002

H.R. 4635

Arming Pilots Against Terrorism Act

*As ordered reported by the House Committee on Transportation and Infrastructure
on June 26, 2002*

SUMMARY

H.R. 4635 would direct the Under Secretary of Transportation for Security to establish a program for training and equipping commercial aviation pilots as federal flight deck officers. The Under Secretary would authorize the officers to carry firearms.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4635 would cost about \$47 million over the 2003-2007 period. Enacting H.R. 3609 would not affect direct spending or receipts, so pay-as-you-go procedures would not apply.

H.R. 4635 contains intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA), but CBO estimates that complying with the mandates would impose no costs on state, local, or tribal governments. Therefore, the threshold established by UMRA (\$58 million in 2002, adjusted annually for inflation) would not be exceeded.

H.R. 4635 also contains a private-sector mandate as defined in UMRA. The bill would require air carriers to provide additional training, including self-defense training, to their crews. Because the new training requirements would depend on specific regulations that would be established by the Under Secretary, CBO cannot determine whether the direct cost to the private sector would exceed the annual threshold specified in UMRA (\$115 million in 2002, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4635 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	5	12	13	13	13
Estimated Outlays	3	6	12	13	13

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4635 will be enacted near the end of fiscal year 2002 and that the necessary amounts will be appropriated for each year. The estimated costs are based on information from the Transportation Security Administration and the Air Line Pilots Association.

H.R. 4635 would limit the authorized number of federal flight deck officers to no more than 2 percent of all pilots employed by air carriers. CBO estimates that more than 2 percent of pilots employed by air carriers would volunteer and qualify to be an officer, thus we expect this provision would limit participation in the program to about 1,400 pilots. We estimate that the program would cost about \$8,000 annually for each federal flight deck officer, including the cost of weapons, ammunition, training, and travel. CBO estimates that it would cost an additional \$500,000 each year to maintain a staff of about six people to manage the new program.

H.R. 4635 would require the Under Secretary to evaluate the benefits and risks associated with the federal flight deck officers, and decide whether or not the program should continue. The Under Secretary would evaluate the program twice: the first time would occur two years after the 250th officer had been deputized, and the second time would occur three years later. The bill would allow the Under Secretary to expand the size of the program at that time. For this estimate, CBO assumes the Under Secretary would decide to continue the program at the same level (of about 1,400 pilots).

Under current law, the Under Secretary collects fees from air carriers and air passengers to partly cover the cost of transportation security programs. However, CBO does not expect that implementing H.R. 4635 would change the amounts of fees collected.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 4635 would shield both air carriers and pilots participating in the federal flight deck officer program from liability for damages resulting from the pilot's defense of the aircraft (with the some exceptions). Because the liability provisions would limit the application of state law, the bill contains an intergovernmental mandate as defined in UMRA. However, the liability mandates would impose no duty on states that would result in additional spending.

The bill would allow pilots participating in the federal flight deck program to carry firearms into any state, regardless of state firearm laws. This preemption of state firearm law also is an intergovernmental mandate as defined in UMRA. CBO estimates that this preemption would not affect state budgets because, while it would limit the application of state law towards the participating pilots, it would impose no duty on states that would result in additional spending.

Because neither of these mandates, taken individually or together, would result in additional costs, the threshold established by UMRA (\$58 million, in 2002, adjusted annually by inflation) would not be exceeded.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

H.R. 4635 contains a private-sector mandate as defined in UMRA. The bill would require air carriers to provide additional training, including self-defense training, to their crews. According to industry sources, 190,000 or more employees would have to be trained. The cost of such training would depend on the length and content of the programs. Because those elements of the new training programs would depend on specific regulations that would be established by the Under Secretary, CBO cannot determine whether the direct cost to the private sector would exceed the annual threshold specified in UMRA (\$115 million in 2002, adjusted annually for inflation).

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