



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 8, 2005

S. 361

Ocean and Coastal Observation Systems Act of 2005

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on March 10, 2005*

SUMMARY

S. 361 would direct the National Ocean Research Leadership Council to develop and operate an integrated coastal and ocean observation system, including ocean monitoring, data analysis, public education, and research. For this purpose, the bill would authorize the appropriation of whatever amounts are necessary for fiscal years 2006 through 2010. The council, which was established in 1996, includes the National Oceanic and Atmospheric Administration (NOAA), the Navy, the National Science Foundation (NSF), the National Aeronautics and Space Administration, the U.S. Coast Guard, and other federal agencies.

The costs of carrying out the requirements of S. 361 are uncertain because the parameters of the observation system, including public education and research, have not been determined by the council and because it is difficult to predict how many of the necessary programs would be funded and implemented in the absence of this legislation. Based on available information and assuming appropriation of the necessary amounts, CBO estimates that implementing S. 361 would cost the federal government \$80 million in 2006 and \$1.8 billion over the 2006-2010 period. (An additional \$355 million would be spent in 2011). We estimate that enacting the bill would not affect direct spending or revenues.

S. 361 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. 361 is shown in the following table. For this estimate, CBO assumes that the amounts necessary to carry out S. 361 will be appropriated for each fiscal year and that outlays will follow historical spending patterns for similar activities. This estimate is based on information provided by NOAA, the U.S. Commission on Ocean Policy, and other federal agencies and nonprofit organizations. The costs of this legislation fall within budget functions 050 (national defense), 250 (general science, space, and technology), 300 (natural resources and environment), and 400 (transportation).

	By Fiscal Year, in Millions of Dollars				
	2006	2007	2008	2009	2010
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	175	325	425	575	675
Estimated Outlays	80	240	390	500	610

BASIS OF ESTIMATE

Based on projections and timetables developed by the U.S. Commission on Ocean Policy, CBO estimates that developing the infrastructure for a fully integrated coastal and ocean observation system would require about \$200 million over the next two years and that such a system would cost about \$600 million annually to operate by 2010. Finally, based on the cost of similar ocean science programs, we estimate that an additional \$75 million annually would be needed for related research and public education, also beginning in 2006. CBO estimates that total spending to carry out these activities would be about \$80 million in fiscal year 2006 and about \$1.8 billion over the 2006-2010 period. Most of these amounts would be spent by NOAA.

CBO expects that much of the spending to develop and operate the coastal and ocean observing system could occur even in the absence of this legislation. For fiscal year 2005, Congress appropriated more than \$70 million to NOAA for activities similar to those authorized by S. 361, in addition to amounts that the agency receives each year for previously established observing and assessment projects. Other agencies such as the Navy and the NSF also received appropriations in 2005 for ongoing programs related to ocean observing.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 361 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Deborah Reis

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Jean Talarico

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis