CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 12, 2012

H.R. 2179

A bill to amend title 49, United States Code, to direct the Assistant Secretary of Homeland Security (Transportation Security Administration) to transfer unclaimed money recovered at airport security checkpoints to United Service Organizations, Incorporated, and for other purposes

As ordered reported by the House Committee on Homeland Security on March 28, 2012

SUMMARY

According to the Transportation Security Administration (TSA), airline passengers have left behind roughly $400,000 in unclaimed money at airport security checkpoints in each of the past two fiscal years. H.R. 2179 would amend current law to require TSA to transfer such unclaimed funds to a nonprofit organization that provides assistance to military personnel.

CBO estimates that enacting H.R. 2179 would increase net direct spending by about $1 million in 2013; therefore, pay-as-you-go procedures apply. We also estimate that that near-term increase in direct spending would be fully offset by a corresponding reduction in direct spending in later years, resulting in no significant net change over time. Enacting H.R. 2179 would not affect revenues or spending subject to appropriation.

H.R. 2179 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 H.R. 2179 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars											
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2013-2017	2013-2022
CHANGES IN DIRECT SPENDING												
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	1	*	*	*	*	*	*	*	*	*	*	*

Note: * = between $500,000 and -$500,000.

BASIS OF ESTIMATE

Under current law, TSA has authority to retain and spend unclaimed money left at security checkpoints by air passengers, without appropriation, for activities related to aviation security. H.R. 2179 would amend current law to require TSA to transfer such unclaimed funds to United Service Organizations, Incorporated (USO), a nonprofit organization that provides assistance to military personnel.

Based on historical spending patterns, CBO expects that, under current law, TSA would spend unclaimed checkpoint money gradually over the next several years. Therefore, requiring the agency to transfer amounts to USO would accelerate outlays. Because the amount of money involved is modest, CBO does not expect this change would have a significant net impact on the budget with regard to checkpoint money collected in future years.

For purposes of this estimate, however, CBO assumes that the requirement to transfer unclaimed checkpoint money would apply to existing balances of such funds, which totaled approximately $1.2 million at the start of fiscal year 2012. Relative to current law, we estimate that transferring those funds to USO would increase net direct spending by about $1 million in 2013. We also estimate that the near-term increase would be fully offset over the next several years by lower outlays for aviation security, resulting in no significant net change in direct spending over the next 10 years.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 2179, as ordered reported by the House Committee on Homeland Security on March 28, 2012

	By Fiscal Year, in Millions of Dollars												
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2012-2017	2012-2022
	NET INCREASE OR DECREASE (-) IN THE DEFICIT												
Statutory Pay-As-You-Go Impact	0	1	0	0	0	0	0	0	0	0	0	0	0

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2179 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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