



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 15, 2010

S. 2870
International Fisheries Stewardship and Enforcement Act

*As ordered reported by the Senate Committee on Commerce, Science,
and Transportation on March 24, 2010*

SUMMARY

S. 2870 would establish uniform enforcement policies and procedures among federal statutes that govern the regulation of commercial fishing. The bill also would authorize funding for programs to improve the enforcement of laws related to international fisheries and coordinate enforcement actions among federal agencies. In addition, the bill would authorize the appropriation of funds to carry out several international fishing agreements. Finally, the bill would amend the Tuna Conventions Act of 1950 to implement the Antigua Convention, an international fishing agreement signed by the United States in 2003.

Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 2870 would cost \$533 million over the 2010-2015 period and \$22 million after 2015. Enacting this legislation could increase revenues (from civil and criminal penalties) and associated direct spending; therefore, pay-as-you-go procedures would apply. However, CBO estimates that the net effects would be negligible for each year.

S. 2870 contains an intergovernmental and private-sector mandate, as defined in the Unfunded Mandates Reform Act (UMRA), because it would require public and private entities, if subpoenaed, to provide testimony, documents, or other evidence to the Department of Commerce. CBO estimates that the cost to comply with the mandate would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$70 million and \$141 million in 2010, respectively, adjusted annually for inflation).

CBO has not reviewed title IV of the bill for intergovernmental or private-sector mandates. Section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that title IV falls within that exclusion.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2870 is shown in the following table. The costs of this legislation fall within budget function 300 (environment and natural resources).

	By Fiscal Year, in Millions of Dollars						2010-2015
	2010	2011	2012	2013	2014	2015	
SPENDING SUBJECT TO APPROPRIATION							
Spending Under Current Law							
Budget Authority ^a	29	0	0	0	0	0	29
Estimated Outlays	19	6	3	1	0	0	29
Proposed Changes:							
Title II—International Fisheries Enforcement Programs							
Authorization Level	35	35	35	35	35	35	210
Estimated Outlays	10	33	36	37	37	37	190
Title III—Reauthorizations for International Fishing Agreements							
Estimated Authorization Level	66	93	93	93	0	0	345
Estimated Outlays	18	82	95	99	34	15	343
Total Proposed Changes							
Estimated Authorization Level	101	128	128	128	35	35	555
Estimated Outlays	28	115	131	136	71	52	533
Estimated Spending Under S. 2870							
Estimated Authorization Level	130	128	128	128	35	35	584
Estimated Outlays	47	121	134	137	71	52	562

- a. The National Oceanic and Atmospheric Administration (NOAA) has already received appropriations totaling \$29 million for 2010 to carry out certain activities authorized by the bill. The bill also would authorize the appropriation of \$1 million a year over the 2010-2013 period for the International Dolphin Conservation Program. NOAA has already received \$3 million (of the \$29 million shown in the table) to manage that program in 2010.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted in calendar year 2010 and that the necessary amounts will be appropriated for each fiscal year, including supplemental appropriations for 2010. Estimated outlays are based on historical spending patterns for similar programs.

Title II would authorize the appropriation of \$30 million for each of fiscal years 2010 through 2015 for a new program to detect, investigate, and enforce laws against certain fishing activities. The new program would be administered by the National Oceanic and Atmospheric Administration (NOAA) and carried out with help from other federal agencies, such as the U.S. Coast Guard and U.S. Customs and Border Protection. Title II also would authorize the appropriation of \$5 million annually over the same period for grants and other assistance to foreign governments to improve international enforcement of fisheries laws. Assuming appropriation of the authorized amounts, CBO estimates that implementing the new programs would cost \$190 million over the 2010-2015 period and \$20 million after 2015.

Title III would authorize the appropriation of \$91 million a year over the 2010-2013 period to carry out activities related to certain international fishing agreements and such sums as may be necessary to carry out similar activities under another international fishing agreement. Based on information from NOAA, CBO estimates that those activities would cost about \$2 million a year over the 2010-2013 period. NOAA has already received appropriations totaling \$29 million for 2010 to carry out activities related to those agreements. Assuming appropriation of the necessary amounts, CBO estimates that implementing title III would cost an additional \$343 million over the 2010-2015 period and \$2 million after 2015.

Title IV would amend the Tuna Conventions Act of 1950 to implement the Antigua Convention. Title IV would establish guidelines for the selection, composition, and duties of certain bodies that represent the United States on the Inter-American Tropical Tuna Commission. Because those bodies currently exist and members of those bodies are not compensated by the federal government, CBO estimates that implementing title IV would have no significant impact on the federal budget.

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. S. 2870 could increase revenues (from civil and criminal penalties) and associated direct spending; therefore, pay-as-you-go procedures would apply. However, CBO estimates that any increase in revenues from penalties would be less than \$500,000 a year and would be offset by similar increases in direct spending from the Crime Victims Fund (for criminal penalties) or by NOAA (for civil penalties) as authorized by existing law. The net budgetary changes that are subject to pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for S. 2870, the International Fisheries Stewardship and Enforcement Act, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 24, 2010

By Fiscal Year, in Millions of Dollars													
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2010-2015	2010-2020
NET INCREASE OR DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	0	0

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2870 contains an intergovernmental and private-sector mandate as defined in UMRA because it would expand the authority of the Secretary of Commerce to issue subpoenas when investigating violations of certain fishing laws. Public and private entities, if subpoenaed, would be required to provide testimony, documents, or other evidence. CBO expects that the Secretary would use that authority sparingly and that the costs to private and public entities to comply with such subpoenas would be small. Therefore, CBO estimates that the cost of the mandate would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$70 million and \$141 million in 2010, respectively, adjusted annually for inflation).

CBO has not reviewed title IV of the bill for intergovernmental or private-sector mandates. Section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that the provisions of title IV fall within that exclusion because they would implement the Antigua Convention.

PREVIOUS CBO ESTIMATE

On April 6, 2010, CBO transmitted a cost estimate for S. 2871, a bill to make technical corrections to the Western and Central Pacific Fisheries Convention Implementation Act, and for other purposes, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on March 24, 2010. S. 2871 contains certain provisions that are similar to provisions in S. 2870. The CBO cost estimate for S. 2871 is the same as the cost estimate for similar provisions contained in S. 2870.

On July 22, 2009, CBO transmitted a cost estimate for H.R. 1080, the Illegal, Unreported, and Unregulated Fishing Enforcement Act of 2009, as ordered reported by the House Committee on Natural Resources on June 10, 2009. Many provisions in H.R. 1080 are

similar to provisions contained in S. 2870. CBO estimated that implementing H.R. 1080 would cost \$55 million over the 2010-2014 period. CBO expects that activities authorized under H.R. 1080 would be carried out under certain provisions of S. 2870; we estimate that the cost of carrying out those activities under S. 2870 would be similar over the 2010-2014 period.

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