



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 6, 1998

H.R. 3460

A bill to approve a governing international fishery agreement between the United States and the Republic of Latvia, and for other purposes

As ordered reported by the House Committee on Resources on June 17, 1998

SUMMARY

H.R. 3460 would approve a fishing agreement between the United States and Latvia. The bill also would authorize the appropriation of \$6 million a year through 2001 to the Department of State and the Department of Commerce for implementing the Northwest Atlantic Fisheries Convention Act of 1995 and the Atlantic Tunas Convention Act of 1975.

CBO estimates that implementing H.R. 3460 would result in new spending of \$18 million over the 1998-2003 period, assuming the appropriation of the authorized amounts. Enacting the bill also would affect direct spending by increasing offsetting receipts; therefore, pay-as-you-go procedures would apply. CBO estimates that the amounts of new offsetting receipts would be negligible. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

The agreement with Latvia specifies the terms under which up to five Latvian vessels that process fish may operate within the exclusive economic zone of the United States. The Northwest Atlantic Fisheries Convention Act and the Atlantic Tunas Convention Act authorize United States participation in regional fishery conservation organizations.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3460 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	1998	1999	2000	2001	2002	2003
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	6	0	0	0	0	0
Estimated Outlays	6	2	1	0	0	0
Proposed Changes						
Authorization Level	0	6	6	6	0	0
Estimated Outlays	0	4	5	6	2	1
Spending Under H.R. 3460						
Authorization Level ^a	6	6	6	6	0	0
Estimated Outlays	6	6	6	6	2	1

a. The 1998 level is the amount authorized and appropriated for that year for implementing the Northwest Atlantic Fisheries Convention Act of 1995 and the Atlantic Tunas Convention Act of 1975.

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that H.R. 3460 will be enacted by the beginning of fiscal year 1999 and that the authorized amounts will be appropriated for each year. Estimated outlays are based on historical spending patterns for the authorized programs.

The Latvian government would be responsible for submitting an application and an application fee of \$354 on behalf of each vessel that proposes to operate within the United States exclusive economic zone. Fees would be deposited in the Treasury, and any permits issued would be valid for up to a year. The agreement with Latvia would be in effect for two years.

PAY-AS-YOU-GO CONSIDERATIONS

Section 252 of the Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that enacting H.R. 3460 would affect direct spending by increasing offsetting receipts but that the amounts involved would be negligible—less than \$2,000 a year. Enacting the legislation would not affect governmental receipts.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3460 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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