

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 19, 1999

H.R. 603

A bill to amend Title 49, United States Code, to clarify the application of the act popularly known as the "Death on the High Seas Act" to aviation incidents

As ordered reported by the House Committee on Transportation and Infrastructure on February 11, 1999

H.R. 603 would amend Title 49 of the U.S. Code so that the Death on the High Seas Act of 1920 (DOHSA) would not apply to aviation incidents. The Warsaw Convention of 1929 and DOHSA provide families of victims of aviation disasters with legal remedies to seek financial compensation for the loss of a family member. Under the Warsaw Convention, which is the primary basis for lawsuits related to international airline disasters, families of passengers who die in an aviation disaster can seek limited financial compensation for their loss. Under DOHSA, a family can only seek compensation if the family was financially dependent upon the deceased. The Supreme Court recently ruled that DOHSA applies to lawsuits when an aviation crash occurs more than three miles from land. By making DOHSA inapplicable to aviation incidents, H.R. 603 would broaden the circumstances under which relatives can seek compensation for the death of a family member in an aviation incident over the ocean. It could also lead to larger awards.

Based on information from the Department of Transportation, CBO estimates that it is unlikely that enacting H.R. 603 would have a significant impact on the federal budget. The bill could affect federal spending if the government becomes either a defendant or a plaintiff in a future civil action related to aviation, but CBO has no basis for estimating the likelihood or outcome of any such potential actions.

H.R. 603 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments. Although the bill could potentially increase an airline's liability in the event of a crash at sea, CBO estimates that the bill would not significantly increase the costs of operating airlines.

The CBO staff contacts for this estimate are Deborah Reis and Victoria Heid Hall. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.