



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 10, 2013

S. 1068 **National Oceanic and Atmospheric Administration Commissioned Officer Corps Amendments Act of 2013**

*As ordered reported by the Senate Committee on Commerce, Science,
and Transportation on July 30, 2013*

S. 1068 would modify certain personnel policies for the commissioned officer corps of the National Oceanic and Atmospheric Administration (NOAA). Based on information provided by NOAA, CBO estimates that implementing the legislation would have no significant impact on the federal budget. Enacting the legislation could affect offsetting receipts (a credit against direct spending) from payments made by individuals who enter the corps but fail to complete their required service obligations as well as revenues from fines levied on individuals who wear the uniform of the NOAA commissioned officer corps without proper authorization. Therefore, pay-as-you-go procedures apply. However, CBO estimates that any such effects would be insignificant.

The bill would establish service requirements for individuals enlisting in the NOAA commissioned officer corps. Under the bill, any officer who fails to meet those requirements would be obligated to repay NOAA an amount equal to the costs incurred to train that officer. Based on information provided by NOAA regarding the cost of such training, CBO estimates that the total amount of payments to NOAA from officers who fail to meet their service obligations would be minimal.

S. 1068 also would make it illegal for any individual to wear the uniform of the NOAA commissioned officer corps without proper authorization. Violators would be subject to criminal penalties; however, CBO estimates that any amounts collected would be minimal and would be offset by associated direct spending.

In addition, the legislation would authorize NOAA to spend appropriated funds to recruit corps members. In 2013, the agency did not allocate any appropriated funds for such activities. On average, the corps admits about 30 new members each year. Based on information regarding the costs of recruiting for other uniformed services, CBO estimates that implementing this provision would cost less than \$300,000 a year, assuming the availability of appropriated funds.

Finally, the bill would authorize NOAA to pay certain expenses related to higher education for individuals serving in the commissioned officer corps or individuals who commit to serving in the corps after completing a college degree. Based on information provided by the agency about the number of officers who would receive such assistance, CBO estimates that implementing this provision would cost less than \$200,000 a year, assuming the availability of appropriated funds.

The bill would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would increase the costs of complying with existing mandates by increasing the number of personnel in the NOAA commissioned officer corps who are eligible for protections under the Servicemembers Civil Relief Act (SCRA) and the Uniformed Services Employment and Reemployment Rights Act (USERRA). Protections under those acts require public and private entities to grant active-duty personnel various allowances relative to business and tax transactions and court procedures. The bill would impose an additional intergovernmental mandate by preempting state and local laws relating to jury exemptions.

Because the increase in the number of active-duty servicemembers covered by SCRA and USERRA would be so small, CBO expects that the incremental cost of compliance also would be small. Therefore, CBO estimates that the aggregate cost of the mandates would fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$75 million and \$150 million in 2013, respectively, adjusted annually for inflation).

The CBO staff contacts for this estimate are Jeff LaFave (for federal costs), J'nell L. Blanco (for the intergovernmental impact), and Amy Petz (for the impact on the private sector). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.