



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 2, 2016

### **H.R. 4576** **Ensuring Access to Pacific Fisheries Act**

*As ordered reported by the House Committee on Natural Resources July 13, 2016*

H.R. 4576 would implement the Conventions on the Conservation and Management of High Seas Fisheries Resources in the North and South Pacific Ocean (Pacific Conventions), which require participating parties to apply specific conservation and management principles and approaches to promote the sustainable use of fisheries located in the North and South Pacific Ocean. The bill also would amend the Northwest Atlantic Fisheries Convention Act to implement an amendment to the Convention on Future Multilateral Cooperation in the Northwest Atlantic Fisheries, which governs the Northwest Atlantic Fisheries Organization (NAFO). That amendment would detail NAFO's objectives; outline general management principles for the Northwest Atlantic Ocean; and describe the duties of all parties to that Convention related to inspections, reports, compliance, and enforcement.

Based on information from the National Oceanic and Atmospheric Administration (NOAA), the Coast Guard, and the Department of State, CBO estimates that implementing H.R. 4576 would cost \$2.5 million over the 2017-2021 period for annual dues, staff time, travel, and programmatic activities. Such spending would be subject to the availability of appropriated funds.

Enacting this legislation could increase revenues and associated direct spending; therefore, pay-as-you-go procedures apply. H.R. 4576 would authorize NOAA to impose a fee of up to 3 percent of the value of resources harvested from fisheries located in areas covered by the Pacific Conventions. Such fees, which would apply to all U.S. fishing boats operating in those areas, would be classified as revenues. The bill also would authorize NOAA to collect civil and criminal fines from anyone who violates the provisions outlined in the bill. Based on information from the agency about the value of resources harvested each year by U.S. vessels from the covered fisheries and the relatively low number of civil and criminal violations likely to occur, CBO estimates any increase in revenues under the bill would not exceed \$500,000 in any year. Because such amounts would be partially offset by a corresponding increase in direct spending, CBO estimates that enacting the bill would have a negligible net effect on the deficit.

CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

CBO has reviewed titles III and IV of H.R. 4576 and determined that those provisions contain no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO has not reviewed titles I, II, or V 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 those titles fall within that exclusion because they implement international fishing treaties.

H.R. 4576 contains provisions related to international fishery agreements that are substantively similar to provisions of other bills for which CBO has transmitted cost estimates. In particular, on June 1, 2015, CBO transmitted cost estimates for three bills that were ordered reported by the Senate Committee on Commerce, Science, and Transportation on May 20, 2015, including:

- S. 1251, the Northwest Atlantic Fisheries Convention Amendments Act;
- S. 1335, the North Pacific Fisheries Convention Implementation Act; and
- S. 1336, the South Pacific Fisheries Convention Implementation Act.

Our estimate of spending subject to appropriation under H.R. 4576 is the same as for substantively similar provisions of the other three bills. In addition, provisions of H.R. 4576 related to certain fees and fines that could be levied on fishing operators would increase both revenues and direct spending. None of the Senate bills contained any such provisions.

The CBO staff contacts for this estimate are Robert Reese (for federal costs), Zachary Byrum (for intergovernmental mandates), and Amy Petz (for private-sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.