



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 8, 2017

H.R. 654 **Pacific Northwest Earthquake Preparedness Act of 2017**

*As ordered reported by the House Committee on Transportation
and Infrastructure on February 28, 2017*

H.R. 654 would direct the Federal Emergency Management Agency (FEMA) to develop a plan to purchase and install an early warning system for earthquakes in the Cascadia Subduction Zone (a fault line that spans parts of California and all of Oregon and Washington State). FEMA would be required to submit this plan to the Congress as well as an additional report summarizing the plan's implementation within one year of the bill's enactment. The bill would not require FEMA to implement the plan nor would it authorize the appropriation of funds to do so. H.R. 654 also would direct the President to establish an earthquake and tsunami task force, for which the FEMA Administrator would be the chair, to develop and submit to the Congress a strategy and recommendations for preparing for, mitigating against, responding to, and recovering from an earthquake or tsunami in the Cascadia Subduction Zone. The task force would include individuals from the federal government, the Oregon, Washington, and California state governments, local governments, and private institutions.

Based on an analysis of information provided by FEMA, CBO estimates that preparing a plan for the development of an early warning system and for participating on a task force would cost less than \$500,000 annually over the 2018-2022 period.

Finally, the bill would stipulate that recipients of FEMA Hazard Mitigation Assistance (HMA) and Pre-disaster Mitigation Assistance (PMA) could use the assistance to reduce the risk of damage from earthquakes. Because this assistance is currently provided to areas affected by earthquakes, CBO estimates that implementing this subsection would have no effect on the federal budget.

Enacting the legislation would not affect direct spending and revenues; therefore, pay-as-you-go procedures do not apply. 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 2028.

H.R. 654 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Robert Reese. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.