



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 7, 2011

S. 1307

A bill to authorize the Secretary of Commerce to convey real property, including improvements, of the National Oceanic and Atmospheric Administration in Ketchikan, Alaska, and for other purposes

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on November 2, 2011

S. 1307 would authorize the Secretary of Commerce to sell a National Oceanic and Atmospheric Administration (NOAA) port facility in Ketchikan, Alaska. The bill also would authorize the Secretary to acquire a new facility to serve as the homeport for the NOAA Ship Fairweather. CBO estimates that implementing the legislation would cost \$3 million over the 2012-2016 period, subject to the availability of appropriated funds. In addition, we estimate that S. 1307 would increase offsetting receipts (a credit against direct spending) by \$1 million; therefore, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

S. 1307 would authorize the appropriation of funds to establish a new homeport in Ketchikan. Because it is generally cheaper for the federal government to own property than to lease it, CBO expects that, under the bill, NOAA would purchase an existing port facility for its use. Based on information provided by individuals with knowledge of the real estate market in Ketchikan, CBO estimates that acquiring the new facility and making the necessary improvements would cost about \$3 million over the 2012-2016 period, assuming appropriation of the amount necessary to purchase a new port facility.

Under the bill, the Secretary would be authorized to sell a condemned NOAA port facility in Ketchikan, Alaska. Proceeds from the sale would be deposited in the U.S. Treasury as offsetting receipts. Based on information provided by the agency and individuals familiar with real estate values in Ketchikan, CBO estimates that enacting the legislation would increase offsetting receipts by about \$1 million in the year the facility is sold, sometime over the next several years.

S. 1307 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 Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.