



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 2, 2012

S. 2279 **R.M.S. Titanic Maritime Memorial Preservation Act of 2012**

*As ordered reported by the Senate Committee on Commerce, Science,
and Transportation on July 31, 2012*

S. 2279 would implement an international agreement to provide additional protection for the R.M.S. Titanic wreck site. The bill would authorize the National Oceanic and Atmospheric Administration (NOAA) to enhance enforcement of laws prohibiting individuals from engaging in activities, including the recovery of artifacts, that could damage the wreck site. The bill also would establish civil and criminal penalties for individuals who violate those laws. Finally, the bill would authorize NOAA to issue permits to individuals to conduct research, exploration, and recovery activities that are consistent with the international agreement.

Based on information from NOAA, CBO estimates that implementing S. 2279 would have no significant net impact on the federal budget. The bill would authorize NOAA to enhance enforcement of certain laws to protect the R.M.S. Titanic wreck site. Based on information from the agency, CBO expects that such enforcement would probably be carried out using satellites to monitor the site. Thus, CBO estimates that any costs associated with additional monitoring activities would be minimal.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. Enacting S. 2279 could increase revenues (from civil and criminal penalties) and associated direct spending; therefore, pay-as-you-go procedures would apply. However, CBO estimates that any increase in revenues from penalties would be less than \$500,000 a year and would be offset by similar increases in direct spending from the Crime Victims Fund (for criminal penalties) or by NOAA (for civil penalties). In addition, the bill would authorize NOAA to collect fees for permits issued to individuals who conduct research, exploration, and recovery activities at the Titanic wreck site. Because the agency could spend those fees to offset administrative expenses, CBO estimates that implementing such fees would have no significant net effect on direct spending.

S. 2279 would impose intergovernmental and private-sector mandates, as defined in the Unfunded Mandates Reform Act, by prohibiting public and private entities from engaging in some activities related to the R.M.S. Titanic property without a permit from NOAA.

Additionally, the bill would require vessels to notify NOAA before stopping within the designated zone surrounding the R.M.S. Titanic. Because both the number of entities affected and the fee for the permits would be small, CBO estimates that the cost for public and private entities to comply with the mandates would fall well below the annual thresholds for intergovernmental and private-sector mandates (\$73 million and \$146 million in 2012, respectively, adjusted annually for inflation).

The CBO staff contacts for this estimate are Jeff LaFave (for federal costs), Melissa Merrell (for the impact on state and local governments), and Amy Petz (for the impact on the private sector). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.