



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 26, 1997

### **H.R. 2233** **Coral Reef Conservation Act of 1997**

*As ordered reported by the House Committee on Resources on September 17, 1997*

#### **SUMMARY**

H.R. 2233 would establish a new fund to support the conservation of coral reefs. The bill would direct the Secretary of Commerce to use amounts in the new fund to finance eligible conservation efforts, which may include research and education projects as well as ongoing activities such as law enforcement. For this purpose, the bill would authorize appropriations to the fund of \$1 million for each of fiscal years 1998 through 2002. Also, the Secretary would be authorized to accept and use donated funds without further appropriation.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 2233 would result in additional discretionary spending of about \$4 million over the 1998-2002 period. The legislation would affect direct spending and receipts by allowing the Secretary to accept and spend donations; therefore, pay-as-you-go procedures would apply. Any such transactions, however, would involve minor, offsetting amounts. H.R. 2233 does not contain any intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA), and would have no impact on the budgets of state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

For purposes of this estimate, CBO assumes that the entire amounts authorized by H.R. 2233 will be appropriated for each of fiscal years 1998 through 2002. Outlay estimates are based on obligation patterns for similar programs, which indicate that the rate of spending over the first few years of the new program would be slow. The estimated budgetary impact of H.R. 2233 is shown in the following table.

	By Fiscal Year, in Millions of Dollars				
	1998	1999	2000	2001	2002
<b>SPENDING SUBJECT TO APPROPRIATION</b>					
Authorization Level	1	1	1	1	1
Estimated Outlays	a	a	1	1	1

a. Less than \$500,000.

The costs of this legislation fall within budget function 300 (natural resources and environment). Spending for the conservation of coral reefs would constitute a new program in the federal budget; that is, there is no spending for this activity under current law.

Enacting H.R. 2233 also would affect both receipts and direct spending by authorizing the Secretary of Commerce to accept and use donations. CBO estimates that this provision would increase federal receipts by less than \$500,000 annually once the conservation program has been established. Because these receipts would be offset by additional direct spending, the net impact of this provision on the federal budget would be negligible in each year.

### **PAY-AS-YOU-GO CONSIDERATIONS**

The Balanced Budget and Emergency Deficit Control Act of 1985 specifies pay-as-you-go procedures for legislation affecting direct spending or receipts. Although enacting H.R. 2233 would affect both receipts and direct spending, CBO estimates that the amounts involved would be less than \$500,000 annually.

### **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 2233 contains no intergovernmental or private-sector mandates as defined in UMRA and would have no impact on the budgets of state, local, or tribal governments. Some of the funds authorized by this bill could support projects conducted by state or local government entities. The bill would not require matching funds but would give priority to projects supported by nonfederal funds in amounts at least equal to the federal funds provided.

**ESTIMATE PREPARED BY:**

Federal Costs: Gary Brown

Impact on State, Local, and Tribal Governments: Marjorie Miller

**ESTIMATE APPROVED BY:**

Robert A. Sunshine

Deputy Assistant Director for Budget Analysis