



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

August 20, 1998

**S. 2124**

**A bill to authorize appropriations for fiscal year 1999 for  
the Maritime Administration and for other purposes**

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation  
on July 9, 1998*

**SUMMARY**

S. 2124 would authorize the appropriation of \$71 million for operation and training activities of the Maritime Administration (MARAD) during fiscal year 1999. The bill also would authorize \$20 million for 1999 loan guarantees and related administrative expenses, as already authorized under the Merchant Marine Act of 1936. Other provisions of the bill, which would authorize the sale or donation of federally owned vessels and make technical changes to the 1936 Act, would have no effect on the federal budget.

S. 2124 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no impact on the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of the bill is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

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By Fiscal Year, in Millions of Dollars

	1998	1999	2000	2001	2002	2003
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**SPENDING SUBJECT TO APPROPRIATION**

MARAD Spending Under Current Law						
Budget Authority <sup>a</sup>	68	0	0	0	0	0
Estimated Outlays	67	8	3	0	0	0
Proposed Changes						
Authorization Level <sup>b</sup>	0	71	0	0	0	0
Estimated Outlays	0	60	7	4	0	0
MARAD Spending Under S. 2124						
Authorization Level <sup>a</sup>	68	71	0	0	0	0
Estimated Outlays	67	68	10	4	0	0

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a. The 1998 level is the amount appropriated for that year.

b. No amounts are included as proposed changes for loan guarantee subsidies or administrative costs because those amounts are already authorized under current law.

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**BASIS OF ESTIMATE**

For the purposes of this estimate, CBO assumes that S. 2124 will be enacted by or near the start of fiscal year 1999 and that the authorized amount of \$71 million for MARAD operation and training activities will be appropriated for that year. The estimate of outlays is based on historical spending patterns for MARAD. Because appropriations for maritime loan guarantees and related administrative costs are already authorized under existing law, the budgetary effects of S. 2124 would be limited to the \$71 million of authorized expenditures for MARAD operations and training programs.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

The bill 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.

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