
CBO ESTIMATE OF CHANGES IN DIRECT SPENDING FOR H.R. 4, THE FAA REAUTHORIZATION ACT OF 2018, AS INTRODUCED ON APRIL 13, 2018, AND POSTED ON THE WEBSITE OF THE HOUSE COMMITTEE ON RULES

	By Fiscal Year, in Millions of Dollars											2018- 2023	2018- 2028
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028		
INCREASES OR DECREASES (-) IN DIRECT SPENDING													
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	0	3	0	-1	-1	0	-2	0	0	0	0	2	0

H.R. 4 would authorize appropriations over the 2018-2023 period for the Federal Aviation Administration and the Department of Transportation to carry out activities related to civil aviation. The legislation also would provide, for each of fiscal years 2018 through 2023, \$3.35 billion in contract authority—a mandatory form of budget authority—for the Airport Improvement Program. Because the amount of contract authority that the bill would provide for those years is the same as amounts projected in CBO’s April 2018 baseline (consistent with the rules for baseline projections in the Deficit Control Act), enacting those provisions would not affect direct spending. (Because outlays of that contract authority are subject to limitations on obligations specified in annual appropriations acts, they are considered to be discretionary.)

H.R. 4 also would extend, through 2023, existing taxes that are dedicated to the Airport and Airway Trust Fund and set to expire on September 30, 2018. The staff of the Joint Committee on Taxation estimate that enacting H.R. 4 would have no effect on revenues relative to the current baseline projection for taxes dedicated to the trust fund, which are assumed to continue as specified in the Deficit Control Act. CBO estimates that enacting other provisions of the bill could affect revenues, but that any such effects would be negligible in any year and over both the 2018-2023 and 2018-2028 periods.

Estimated changes in direct spending under H.R. 4 stem from provisions of Title VI, which would establish a three-year statute of limitations on actions to recover certain assistance grants that the Federal Emergency Management Agency (FEMA) improperly provided to individuals following a declared disaster. Under current law, FEMA has the authority to recover disaster assistance grants that were improperly made at any time after the date of disbursement. CBO estimates that H.R. 4 would reduce the recoupment of those improper payments, which is recorded as a reduction in direct spending, by \$27 million over the 2019-2028 period. However, under current law, those amounts would be available for future disaster relief payments without further appropriation; thus, enacting the bill also would reduce direct spending by an equivalent amount in the future, resulting in no net effect on direct spending over the next 10 years.

Components do not sum to totals because of rounding.

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 2029.

CBO has not reviewed the legislation for costs that are subject to appropriation, or for intergovernmental and private-sector mandates..

Previous Estimates:

- On October 12, 2017, CBO transmitted an estimate for [H.R. 3176, the Disaster Assistance Fairness and Accountability Act of 2017](#), as ordered reported by the House Committee on Transportation and Infrastructure on July 27, 2017.

Section 629 of H.R. 4 is similar to H.R. 3176; however, CBO’s estimated costs for H.R. 4 are different because of differences in the assumed enactment date for the two bills.