



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 11, 2018

**H.R. 6175
Maritime Safety Act of 2018**

*As ordered reported by the House Committee on Transportation and Infrastructure
on June 27, 2018*

SUMMARY

H.R. 6175 would require the Coast Guard (USCG) to pursue a variety of activities aimed at improving maritime safety. Using information from the agency, CBO estimates that meeting the bill's requirements would cost \$5 million over the 2019-2023 period; any such spending would be subject to the availability of appropriated funds.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 6175 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6175 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

H.R. 6175 would impose private-sector mandates on shipping companies that operate freight vessels regulated by the USCG. CBO estimates that the incremental costs of the requirements in H.R. 6175 would be small and would fall below the annual threshold for private-sector mandates established in UMRA (\$160 million in 2018, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 6175 is shown in the following table. The costs of the legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars						2019- 2023
	2018	2019	2020	2021	2022	2023	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level	0	1	1	1	1	1	5
Estimated Outlays	0	1	1	1	1	1	5

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 6175 will be enacted near the start of fiscal year 2019, and that the necessary funds will be available each year.

H.R. 6175 would specify a variety of new regulatory and administrative requirements for the USCG regarding maritime safety. Using information from the USCG, CBO estimates that implementing most provisions of the bill would not significantly affect the agency’s costs because they are largely consistent with activities the agency intends to pursue under current law. However, CBO expects that carrying out a proposed program to increase training of USCG personnel involved in safety-related inspections and audits would require additional funding. Based on historical costs of similar training efforts, CBO estimates that implementing that training program would cost about \$1 million annually.

The bill also would direct the Government Accountability Office to conduct an audit of the implementation and effectiveness of safety management plans that the USCG requires of the entities it regulates. CBO estimates that the cost to complete the audit would total less than \$500,000.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 6175 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

MANDATES

H.R. 6175 contains no intergovernmental mandates as defined in UMRA.

H.R. 6175 would impose private-sector mandates on shipping companies that operate freight vessels regulated by the USCG. Specifically, the bill would require those companies to ensure that each vessel they operate is outfitted with equipment to signal distress for every crew member onboard. The bill also would require those companies to track incremental weight changes to vessels over time and to maintain records of those changes for the life of each vessel. Finally, for vessels built prior to 1992, the bill would require shipping companies to include comprehensive information about damage control in the safety management plans that are required by USCG regulations. Using information from the USCG and the shipping industry, CBO estimates that fewer than 200 freight vessels in the United States would be affected by the requirements. Furthermore, because most shipping companies are already complying to some degree with similar requirements under current regulations, CBO estimates that the incremental costs of the requirements in H.R. 6175 would be small and would fall below the annual threshold for private-sector mandates established in UMRA (\$160 million in 2018, adjusted annually for inflation).

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