



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 26, 2017

H.R. 876 **Aviation Employee Screening and Security Enhancement Act of 2017**

*As ordered reported by the House Committee on Homeland Security
on March 8, 2017*

SUMMARY

H.R. 876 would direct the Transportation Security Administration (TSA) to pursue a variety of activities aimed at improving aviation security, particularly by enhancing vetting and screening of aviation workers and controlling their access to secure areas of airports. Based on an analysis of information from TSA, CBO estimates that implementing H.R. 876 would cost \$41 million over the 2017-2022 period, assuming appropriation of the necessary amounts.

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. 876 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 876 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) on airport operators and air carriers. Based on information from the TSA and airport officials, CBO estimates that the total costs of the mandates on public and private entities would fall well below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$78 million and \$156 million in fiscal year 2017, respectively, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of H.R. 876 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars						2017- 2022
	2017	2018	2019	2020	2021	2022	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level	0	15	7	7	7	7	43
Estimated Outlays	0	11	8	8	7	7	41

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the end of 2017, that the necessary amount will be appropriated each year, and that outlays will follow historical spending patterns.

H.R. 876 would require TSA to identify, in collaboration with airport operators and the TSA’s Aviation Security Advisory Committee (ASAC), advanced technologies—particularly biometric identification technologies—for entrances and exits used by employees to access secure areas of airports. Under the bill, TSA could pursue a qualified products list (QPL) of such technologies, which would require several full time staff and ongoing collaborative efforts to develop and implement systems to test the full spectrum of commercially available technologies and recommend products manufactured by specific vendors. Because the bill would not require TSA to develop an official QPL, CBO expects that the agency would fulfill the bill’s requirement by identifying broad types or categories of technologies that would serve airports’ security needs. That effort would still involve several staff to assess existing and emerging technologies, on an ongoing basis, in collaboration with airport operators and the ASAC. Based on an analysis of information provided by the TSA about the cost of similar efforts, CBO estimates the agency would spend between \$4 million and \$5 million annually—or \$23 million over the 2017-2022 period—to implement this provision.

CBO estimates that implementing other provisions of H.R. 876 would cost \$18 million over the 2017-2022 period. That amount includes \$2 million annually for increased covert testing of employee screening at certain airports—an increase of roughly 10 percent over existing funding levels. The remaining \$8 million would be for a one-time study of measures used to secure entrances and exits used by employees to access the secure areas of airports. That estimate is based on the historical costs of similar efforts.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 876 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 876 would impose intergovernmental and private-sector mandates as defined in UMRA. The bill would require airport operators and air carriers to provide information to TSA about individuals who have had their security credentials revoked. Additionally, the bill would require airport operators to notify applicants for security credentials about screening procedures and to submit applicants' social security numbers to TSA. Those provisions would impose an intergovernmental mandate on airport operators and a private-sector mandate on airport operators and air carriers. Based on information from the TSA and airport officials, CBO expects that affected entities would probably report information to TSA electronically and estimates that the costs to submit that information would be small. In total, CBO estimates that the costs on public and private entities would fall well below the annual thresholds established in UMRA for intergovernmental and private-sector mandates (\$78 million and \$156 million in fiscal year 2017, respectively, adjusted annually for inflation).

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