



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 22, 2009

### **H.R. 1080**

### **Illegal, Unreported, and Unregulated Fishing Enforcement Act of 2009**

*As ordered reported by the House Committee on Natural Resources on June 10, 2009*

#### **SUMMARY**

H.R. 1080 would strengthen the authority of the National Oceanic and Atmospheric Administration (NOAA) to enforce fisheries laws and combat illegal, unreported, and unregulated (IUU) fishing by foreign vessels. The bill would establish uniform enforcement policies and procedures among the many federal statutes that govern the regulation of commercial fishing and would reauthorize funding for certain international enforcement activities through fiscal year 2015. Finally, the bill would authorize the appropriation of \$5 million a year through 2015 to assist other nations with fishery conservation programs and enforcement activities.

Assuming appropriation of the amounts specifically authorized or estimated to be necessary, CBO estimates that implementing H.R. 1080 would increase spending by \$55 million over the 2010-2014 period. Enacting H.R. 1080 could increase revenues (from civil and criminal penalties) and associated direct spending, but CBO estimates that such increases would be less than \$500,000 annually and would offset each other in most years.

H.R. 1080 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

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

The estimated budgetary impact of H.R. 1080 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					2010-
	2010	2011	2012	2013	2014	2014
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Expanded Enforcement Activities						
Estimated Authorization Level	6	6	6	7	7	32
Estimated Outlays	3	6	6	7	7	29
Reauthorization of Certain Enforcement Programs						
Estimated Authorization Level	0	0	0	0	7	7
Estimated Outlays	0	0	0	0	6	6
International Cooperation and Assistance						
Authorization Level	5	5	5	5	5	25
Estimated Outlays	2	3	5	5	5	20
Total Changes						
Estimated Authorization Level	11	11	11	12	19	64
Estimated Outlays	5	9	11	12	19	55

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 1080 will be enacted during fiscal year 2009 and that the amounts specifically authorized or estimated to be needed will be appropriated for each of the following years. Estimated authorization levels are based on information provided by NOAA, the federal agency primarily responsible for investigating IUU activities. Estimated outlays are based on historical spending patterns for similar programs.

H.R. 1080 would provide NOAA with greater authority to combat IUU fishing and by-catch of protected species by foreign vessels. (By-catch are sea life unintentionally caught by commercial fishermen.) The enhanced authority would enable NOAA to expand its enforcement activities beginning in 2010, which CBO estimates would require \$6 million a year (roughly doubling the budget for this activity by 2014). The estimated increase in discretionary spending over the 2010-2014 period would be \$29 million. We expect that the additional funding would allow the agency to hire between 10 and 20 employees to investigate IUU fishing and importing into the United States and to better analyze by-catch data on protected species such as sea turtles.

Section 2 would reauthorize (through 2015) the appropriation of whatever amounts are necessary for NOAA to combat IUU fishing and by-catch of protected species under the High Seas Driftnet Fishing Moratorium Protection Act and the Magnuson-Stevens

Fishery Conservation and Management Act. Such funding is already authorized through 2013. Based on current funding levels and administration requests, CBO estimates that this provision would cost \$6 million in 2014.

Section 17 would authorize the appropriation of \$5 million annually through 2015 for grants and technical assistance to foreign governments to address IUU fishing and help build sustainable fisheries. CBO estimates that this provision would cost \$20 million over the 2010-2014 period, assuming appropriation of the authorized amounts.

Finally, the bill would increase civil and criminal penalties for violations of fishery laws. Based on information provided by NOAA, CBO estimates that any increase in revenues from penalties would be less than \$500,000 a year and would be offset by similar increases in direct spending from the Crime Victims Fund (for criminal penalties) or by NOAA (for civil penalties) as authorized by existing law.

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

H.R. 1080 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

### **ESTIMATE PREPARED BY:**

Federal Costs: Deborah Reis

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Amy Petz

### **ESTIMATE APPROVED BY:**

Theresa Gullo

Deputy Assistant Director for Budget Analysis