



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 23, 2009

H.R. 2650
Coast Guard Modernization Act of 2009

*As ordered reported by the House Committee on Transportation
and Infrastructure on June 4, 2009*

H.R. 2650 would amend federal statutes that govern the operations of the U.S. Coast Guard. CBO estimates that implementing the legislation would increase discretionary spending by less than \$500,000 annually beginning in fiscal year 2010. Enacting H.R. 2650 could affect direct spending by allowing the Coast Guard to accept and spend donations from nonfederal entities, but CBO estimates that any net impact would be minimal.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

H.R. 2650 would reorganize leadership positions in the Coast Guard, establish marine safety as an agency mission, and require the agency to produce various one-time or annual reports on marine safety topics. In addition, the bill would authorize the Coast Guard to assign officers or other employees to private entities to carry out safety training. Based on information provided by the Coast Guard, CBO estimates that implementing H.R. 2650 would have little effect on the federal budget because the agency already carries out similar or identical programs. Producing newly required studies and annual reports would add less than \$500,000 a year to the agency's cost, assuming the availability of appropriated funds.

The CBO staff contact for this estimate is Deborah Reis. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis