



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 31, 2012

### H.R. 4100

### Illegal, Unreported, and Unregulated Fishing Enforcement Act of 2011

*As ordered reported by the House Committee on Natural Resources on July 11, 2012*

#### SUMMARY

H.R. 4100 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 under the many federal statutes that govern the regulation of commercial fishing. The bill also would reauthorize funding through fiscal year 2017 to enforce certain fisheries laws and to assist other nations with fishery conservation programs and enforcement activities. Finally, the bill would amend the Tuna Conventions Act of 1950 to implement the Antigua Convention.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 4100 would cost \$73 million over the 2013–2017 period. Enacting H.R. 4100 could increase revenues (from civil and criminal penalties) and associated direct spending; therefore, pay-as-you-go procedures apply. However, CBO estimates that such increases would be less than \$500,000 annually and would offset each other in most years.

CBO has not reviewed title II of the bill for intergovernmental or private-sector mandates because we have determined that it falls within one of the exclusions set out in section 4 of the Unfunded Mandates Reform Act (UMRA). That section excludes from the application of UMRA any legislative provisions that are necessary for the ratification or implementation of international treaty obligations.

The remaining provisions of H.R. 4100 contain no intergovernmental or private-sector mandates as defined in 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. 4100 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					
	2013	2014	2015	2016	2017	2013-2017
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Expanded Enforcement Activities						
Estimated Authorization Level	6	6	6	6	6	30
Estimated Outlays	4	5	6	6	6	27
Reauthorization of Certain Enforcement Programs						
Estimated Authorization Level	0	6	7	7	7	27
Estimated Outlays	0	4	6	6	7	23
International Cooperation and Assistance						
Estimated Authorization Level	5	5	5	6	6	27
Estimated Outlays	3	4	5	5	6	23
Total Changes						
Estimated Authorization Level	11	17	18	19	19	84
Estimated Outlays	7	13	16	18	19	73

Note: Components may not sum to totals because of rounding.

## BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4100 will be enacted in 2012 and that the necessary amounts will be appropriated for each fiscal year beginning in 2013. 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.

## Enforcement of Fisheries Laws

Title I would provide NOAA with greater authority to combat IUU fishing and bycatch of protected species by foreign vessels. (Bycatch refers to sea life unintentionally caught by commercial fishermen.) The enhanced authority would enable NOAA to expand its enforcement activities beginning in 2013, which CBO estimates would require appropriations of \$6 million a year; the estimated outlays over the 2013-2017 period would be \$27 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 bycatch data on protected species such as sea turtles.

Title I also would reauthorize (through 2017) the appropriation of whatever amounts are necessary for NOAA to reduce IUU fishing and bycatch 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 under current law. Based on current funding levels and Administration requests, CBO estimates that implementing this provision would cost \$23 million over the 2014-2017 period.

In addition, title I would authorize a program to award grants and provide technical assistance to foreign governments to address IUU fishing and help build sustainable fisheries. Based on information provided by NOAA, CBO estimates that implementing this provision would cost \$23 million over the 2013-2017 period, assuming appropriation of the necessary amounts.

Finally, title I could increase civil and criminal penalties for violations of fisheries 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.

### **Implementation of the Antigua Convention**

Title II would amend the Tuna Conventions Act of 1950 to implement the Antigua Convention and would establish guidelines for the selection, composition, and duties of certain bodies that represent the United States on the Inter-American Tropical Tuna Commission. Because those bodies currently exist and members of those bodies are not compensated by the federal government, CBO estimates that implementing title IV would have no significant impact on the federal budget.

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

CBO has not reviewed title II of the bill for intergovernmental or private-sector mandates. Section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that title II falls within that exclusion.

The remaining provisions of H.R. 4100 contain no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## **PREVIOUS CBO ESTIMATE**

On June 15, 2011, CBO transmitted a cost estimate for S. 52, the International Fisheries Stewardship and Enforcement Act, as ordered reported by the Senate Committee on Commerce, Science, and Transportation on May 5, 2011. That bill contains provisions similar to those in H.R. 4100. The Senate bill would authorize the appropriation of \$35 million a year to enforce fisheries laws and provide grants and technical assistance to foreign countries. Because H.R. 4100 would authorize similar activities but does not contain specified funding levels, CBO estimated the amounts necessary to carry out those activities. The CBO cost estimates reflect those differences.

## **ESTIMATE PREPARED BY:**

Federal Costs: Jeff LaFave

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