CBO Estimate of Spending and Revenue Effects for H.R. 302, the FAA Reauthorization Act of 2018, as passed by the House of Representatives on September 26, 2018[a]

	By Fiscal Year, in Millions of Dollars											
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2019-2023	2019-2028
INCREASES IN DICRETIONARY SPENDING[b]												
Division I – Supplemental Appropriations for Disaster Relief Act, 2018												
Budget Authority	1,680	0	0	0	0	0	0	0	0	0	1,680	1,680
Estimated Outlays	25	250	300	400	350	250	100	5	0	0	1,325	1,680
INCREASES OR DECREASES (-) IN DIRECT SPENDING												
Division D – Disaster Recovery Reform Act of 2018												
Estimated Budget Authority	0	0	0	0	0	0	0	0	0	0	0	0
Estimated Outlays	43	4	1	-1	-1	-1	0	0	0	0	46	45
Division E – Concrete Masonry Products Research, Education, and Promotion Act of 2018												
Estimated Budget Authority	0	6	8	8	9	9	9	9	10	6	32	74
Estimated Outlays	0	3	9	8	9	9	9	9	10	7	29	73
Division F – BUILD Act of 2018												
Estimated Budget Authority	0	-1	-1	-1	-2	-2	-2	-4	-4	-4	-5	-20
Estimated Outlays	0	-1	-1	-1	-2	-2	-2	-4	-4	-4	-5	-20
Division K – TSA Modernization Act												
Estimated Budget Authority	1	1	1	1	1	1	1	1	1	1	6	12
Estimated Outlays	1	1	1	1	1	1	1	1	1	1	6	12
Total												
Estimated Budget Authority	1	6	8	8	8	8	8	6	7	3	33	66
Estimated Outlays	44	7	10	7	7	7	8	6	7	4	76	110
INCREASES IN REVENUES												
Division E – Concrete Masonry Products Research, Education, and Promotion Act of 2018	0	6	9	9	9	10	10	10	10	10	33	83
Division K – TSA Modernization Act	0	1	0	0	0	0	0	0	0	0	1	1
Total	0	7	9	9	9	10	10	10	10	10	34	84
NET INCREASES OR DECREASES (-) IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES												
Effect on Deficit	44	*	1	-2	-2	-3	-2	-4	-3	-6	42	26

Source: Congressional Budget Office and staff of the Joint Committee on Taxation

Assumes enactment in fiscal year 2019; numbers may not sum to totals because of rounding; FAA = Federal Aviation Administration; TSA = Transportation Security Administration; * = between -$500,000 and $500,000.

The amounts displayed reflect increased budget authority and outlays for discretionary spending provided in H.R. 302 and changes in direct spending and revenues that would result from its enactment. This estimate does not include additional spending that would be subject to future appropriation.

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a. CBO's previous estimate for H.R. 302 (available here, https://go.usa.gov/xPZqZ) assumed enactment during fiscal year 2018. This estimate has been updated to reflect a new assumed enactment date in October 2018. Relative to CBO's previous estimate, the agency now estimates there would be an additional $4 million in direct spending over the 2019-2028 period, stemming from changes in how the provisions in Division E would apply after accounting for an October 2018 enactment.

b. Division I (the Supplemental Appropriations for Disaster Relief Act, 2018) would provide $1.68 billion in supplemental funding for fiscal year 2019, and would designate those amounts as emergency requirements pursuant to section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Deficit Control Act). (The limits (or caps) on discretionary spending established for 2019 by the Budget Control Act of 2011, as amended by the Bipartisan Budget Act of 2018, would be adjusted to accommodate those amounts.) In general, the budgetary effects of authorizing legislation are recorded as direct spending or revenue. However, consistent with the language in Division I, and at the direction of the House and Senate Committees on the Budget, this estimate treats the budgetary effects of Division I as discretionary spending. CBO's previous estimate for H.R. 302 assumed enactment during fiscal year 2018, and therefore estimated that the budget authority appropriated in Division I would become available in fiscal year 2018; with an assumed enactment date of October 2018, that budget authority would now become available in fiscal year 2019. CBO's estimate of the outlays flowing from that budget authority are unchanged.

Summary of Major Provisions of H.R. 302 that Would Affect Direct Spending and Revenues

Division B (the FAA Reauthorization Act of 2018) would authorize appropriations over the 2019-2023 period for the Federal Aviation Administration and the Department of Transportation for activities related to civil aviation. The legislation also would provide $3.35 billion in mandatory contract authority for each of fiscal years 2019 through 2023 for the Airport Improvement Program. Those amounts would be the same as amounts projected in CBO's April 2018 baseline, consistent with the rules for baseline projections in the Deficit Control Act; therefore, enacting those provisions would not affect direct spending relative to the baseline. Because outlays of contract authority provided by Division B would be subject to limitations on obligations specified in annual appropriation acts, they are not included in this estimate. Division B also would extend, through 2023, existing taxes that are dedicated to the Airport and Airway Trust Fund. JCT estimates that enacting Division B would have no effect on revenues relative to the current baseline projection for taxes dedicated to that trust fund because they are assumed to continue as specified in the Deficit Control Act. CBO estimates that other provisions of Division B would have insignificant effects on both direct spending and revenues.

Division D (the Disaster Recovery Reform Act of 2018) would amend programs administered by the Federal Emergency Management Agency. Under Division D, improper payments made to individuals for disaster assistance would have to be recouped within three years of their disbursement. That provision would reduce the collection and expenditure of such improper payments. The limitation would not apply where there is evidence of fraud. The legislation also would change the eligibility requirements for the Disaster Unemployment Assistance program and disaster assistance provided to certain public and private nonprofit entities. Both of those provisions would affect the expenditure of previously appropriated funds and are thus treated as changes in direct spending.

Division E (the Concrete Masonry Products Research, Education, and Promotion Act of 2018) would establish a Concrete Masonry Products Board, upon approval of a referendum by producers of masonry products made from concrete (CMP), such as cinder blocks. Funding for the board's activities would be derived from revenues collected from CMP manufacturers based on the number of masonry units sold each year. CBO's estimate for Division E has been updated to reflect a new assumed enactment date of October, 2018. Relative to CBO's previous estimate, an October 2018 enactment would increase the amount of budget authority available to the proposed board by $4 million in 2027; thereby increasing direct spending by $4 million over the 2019-2028 period.

Division F (the BUILD Act of 2018) would establish the U.S. International Development Finance Corporation. The proposed corporation would promote economic development in less developed countries by providing loans, equity, insurance, and other forms of assistance to U.S. companies and other entities that want to invest and expand in those countries.

Division K (the TSA Modernization Act) contains a provision (section 1908) that would clarify the treatment of law enforcement availability pay for federal air marshals and criminal investigators of the Transportation Security Administration; that provision would affect direct spending and revenues related to federal retirement programs.

The following provisions would not significantly affect direct spending or revenues:

Division A (the Sports Medicine Licensure Clarity Act of 2018)
Division C (the National Transportation Safety Board Reauthorization Act of 2018)
Division G (Syria Study Group)
Division H (the Preventing Emerging Threats Act of 2018)
Division J (the Maritime Security Improvement Act of 2018)