

**H.R. 5119, Safe Aircraft Maintenance Standards Act**

As ordered reported by the House Committee on Transportation and Infrastructure on November 20, 2019

| By Fiscal Year, Millions of Dollars  | 2020 | 2020-2025                           | 2020-2030                   |
|--|------|-------------------------------------|-----------------------------|
| Direct Spending (Outlays)  | 0    | 0                                   | 0                           |
| Revenues   | 0    | 0                                   | 0                           |
| Increase or Decrease (-) in the Deficit  | 0    | 0                                   | 0                           |
| Spending Subject to Appropriation (Outlays)  | *    | 4                                   | not estimated               |
| Statutory pay-as-you-go procedures apply?  | No   | <b>Mandate Effects</b>              |                             |
| Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031? | No   | Contains intergovernmental mandate? | No                          |
|  |      | Contains private-sector mandate?    | <b>Yes, Under Threshold</b> |
| * = between zero and \$500,000.  |      |                                     |                             |

H.R. 5119 would require certain air carriers to submit monthly and annual reports to the Federal Aviation Administration (FAA) on aircraft maintenance and alterations performed outside the United States. The FAA would be required to establish an online repository for that information, analyze the reports, detect any safety issues, and implement corrective actions if necessary. In addition, the FAA would be required to perform other regulatory activities related to aircraft maintenance.

For this estimate, CBO assumes that the bill will be enacted in fiscal year 2020. Under that assumption, the FAA could incur some costs in 2020, but CBO expects that most of the costs would be incurred in 2021 and later. Using information from the FAA on employee compensation and the workload that would result from fulfilling the bill's requirements, CBO estimates that implementing H.R. 5119 would cost about \$4 million over the 2020-2025 period. Any spending would be subject to the availability of appropriated funds. The costs of the legislation would fall within budget function 400 (transportation).

By requiring certain air carriers to submit new reports to the FAA, H.R. 5119 would impose a private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA). Under current law, air carriers track maintenance performed on each aircraft and submit reports to the FAA when major alterations are performed. H.R. 5119 would broaden those requirements by requiring domestic operators to submit monthly reports on aircraft

maintenance, preventive maintenance, or alterations performed outside the United States and annual reports detailing the heavy maintenance work performed on aircraft in the past year. CBO expects that the mandate would affect fewer than 100 airlines by incrementally adding to their maintenance-tracking requirements. CBO estimates, therefore, that the cost of the mandates, mostly for gathering information and preparing new reports, would fall below the annual threshold for private-sector mandates in UMRA (\$168 million in 2020, adjusted annually for inflation).

H.R. 5119 contains no intergovernmental mandates as defined in UMRA.

The CBO staff contacts for this estimate are Aaron Krupkin (for federal costs) and Brandon Lever (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.