

S. 3958, Expedited Delivery of Airport Infrastructure Act of 2020 As ordered reported by the Senate Committee on Commerce, Science, and Transportation on July 22, 2020			
By Fiscal Year, Millions of Dollars	2021	2021-2025	2021-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	*	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year	No	Contains intergovernmental m	andate? No
periods beginning in 2031?		Contains private-sector manda	ate? No
* = between zero and \$500,000.			

The Airport Improvement Program (AIP) provides grants to airport sponsors for capital improvement projects related to airport safety, capacity, and security. S. 3958 would expand the definition of eligible AIP project costs for future grants to include contractor incentive payments. The payments would be capped at the lesser of \$1 million or 5 percent of the project's contract value.

S. 3958 would not provide additional contract authority (a mandatory form of budget authority) for the AIP or increase the program's existing obligation limitations. Under current law, however, airport sponsors are authorized to use funds from other Federal Aviation Administration (FAA) grants for contractor incentive payments, including those newly provided under the CARES Act (Public Law 116-136).

In addition, based on information from the agency, CBO expects that the FAA would need to develop guidelines and amend grant language in order to implement the bill's provisions. CBO estimates that the cost to do so would not be significant. Accordingly, CBO estimates that implementing the bill would have no significant effect on discretionary spending.

On June 23, 2020, CBO transmitted a cost estimate for H.R. 5912, the Expedited Delivery of Airport Infrastructure Act of 2020, as ordered reported by the House Committee on Transportation and Infrastructure on February 26, 2020. The two pieces of legislation are similar, and CBO's estimate of their budgetary effects are the same.

The CBO staff contact for this estimate is Aaron Krupkin. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.