

H.R. 3540, Chesapeake Bay Science, Education, and Ecosystem Enhancement Act of 2021

As ordered reported by the House Committee on Natural Resources on February 16, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	1	2
Revenues	0	0	0
Increase in the Deficit	0	1	2
Spending Subject to Appropriation (Outlays)	0	78	79
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2033?	< \$5 billion	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 3540 would authorize appropriations totaling \$79 million over the 2022-2025 period for the National Oceanic and Atmospheric Administration (NOAA) to operate its Chesapeake Bay Office. That office works on restoring oyster habitat and education and training programs and the bill would expand those activities. In 2021, NOAA allocated about \$8 million to the office.

For this estimate, CBO assumes that the bill will be enacted late in fiscal year 2022 and that the authorized amounts will be appropriated each year. On that basis, CBO expects that any spending from amounts appropriated for 2022 would begin in 2023. Using information on historical spending patterns for the office's activities, CBO estimates that implementing H.R. 3540 would cost \$78 million over the 2022-2027 period and \$1 million after 2027, assuming appropriation of the authorized amounts.

The bill also would authorize NOAA to enter into leases as necessary to carry out the office's programs. Because signing a lease agreement would commit NOAA to pay the lessor to use a property over multiple years and in advance of appropriations for those future years, CBO considers the costs associated with such a lease to be direct spending. Based on similar authority provided for other NOAA activities and the relatively narrow focus of the Chesapeake Bay Office, CBO expects NOAA would use this authority to enter into one 30-year lease for additional lab facilities at some point during the 2022-2032 period.

Using information from the General Services Administration on the costs of NOAA’s current leases, CBO estimates that the lifetime cost of such a lease would be \$2 million, which would be recorded in the year the authority is granted. Because CBO cannot predict when NOAA would enter into a lease agreement under the bill, we estimate there is an equal chance that the agreement is initiated in every year over the 2022-2032 period. Using historical spending patterns for similar activities, CBO estimates that spending on the additional lease would be less than \$500,000 in each year and total \$2 million over the 2022-2032 period.

The costs of the legislation, detailed in Table 1, fall within budget function 300 (natural resources and environment).

Table 1. Estimated Budgetary Effects of H.R. 3540													
By Fiscal Year, Millions of Dollars												2022-2027	2022-2032
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032		
Increases in Direct Spending													
Estimated Budget Authority	2	0	0	0	0	0	0	0	0	0	0	2	2
Estimated Outlays	0	*	*	*	*	*	*	*	*	*	*	1	2
Increases in Spending Subject to Appropriation													
Authorization	17	19	21	23	0	0	0	0	0	0	0	79	79
Estimated Outlays	0	25	18	23	9	4	1	0	0	0	0	78	79

Components may not sum to totals because of rounding; * = between zero and \$500,000.

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