



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 23, 2010

### **Public Transportation Safety Act of 2010**

*As ordered reported by the Senate Committee on Banking, Housing,  
and Urban Affairs on June 29, 2010*

#### **SUMMARY**

The Public Transportation Safety Act of 2010 would authorize the Federal Transit Administration (FTA) to establish uniform safety standards for public transportation systems and would authorize appropriations for grants to certain states to implement those standards. Assuming appropriation of the specified amounts, CBO estimates that implementing the bill would cost \$61 million over the 2011-2015 period.

Pay-as-you-go procedures apply to this legislation because enacting it could affect revenues. The bill would allow the Department of Transportation (DOT) to impose civil penalties in certain situations where safety standards are violated; such collections are classified as revenues in the budget. Based on information from the FTA, however, CBO estimates that the new penalties would have no significant impact on the federal budget in any year.

The bill would impose an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA) by preempting state laws related to public transportation safety if those laws do not meet the minimum requirements of a uniform national standard. While that preemption would limit the application of state law, CBO estimates that it would impose no duty on state, local, or tribal governments that would result in additional spending. The legislation contains no new private-sector mandates.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of the Public Transportation Safety Act of 2010 is shown in the following table. The costs of this legislation fall within budget function 400 (transportation).

	By Fiscal Year, in Millions of Dollars					
	2011	2012	2013	2014	2015	2011-- 2015
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Authorization Level	12	22	32	0	0	66
Estimated Outlays	8	17	26	8	2	61

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted in 2010 and that the amounts estimated to be necessary will be appropriated each year. Estimates of spending are based on historical spending patterns for similar programs.

### **Spending Subject to Appropriation**

The legislation would authorize appropriations for the FTA to establish uniform safety standards for public transportation systems nationwide and to make grants to states to implement those standards. The bill would consolidate all safety oversight for public transportation systems that operate on fixed routes under an Office of Safety and Security within the FTA. That office would be responsible for establishing and overseeing safety standards as implemented by state and local governments, training federal, state, and local employees regarding the new safety standards, and making grants to states. Based on information from the FTA, CBO estimates the FTA would ultimately need to hire about 30 full-time equivalent staff members. Assuming appropriation of the specified amounts, CBO estimates that implementing this bill would cost about \$61 million over the 2011-2015 period.

### **Revenues**

The bill would allow DOT to impose civil penalties in certain situations where safety standards established by the FTA are violated. Such collections are deposited in the Treasury and classified as revenues in the budget. Based on information from the FTA, CBO estimates that the new penalties would have no significant impact on the federal budget.

## PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in the following table.

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**CBO Estimate of the Statutory Pay-As-You-Go Effects for the Public Transportation Safety Act of 2010 as ordered reported by the Senate Committee on Banking, Housing, and Urban Affairs on June 29, 2010**

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	By Fiscal Year, in Millions of Dollars											2010-	2010-
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2015	2020
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT</b>													
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	0	0

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## ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

The bill would impose an intergovernmental mandate as defined in UMRA by preempting state laws related to public transportation safety if those laws do not meet minimum requirements of a uniform national standard. While that preemption would limit the application of state law, CBO estimates that it would impose no duty on state, local, or tribal governments that would result in additional spending.

## ESTIMATED IMPACT ON THE PRIVATE SECTOR

The bill contains no new private-sector mandates.

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