



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 14, 2016

S. 2970

A bill to amend title 5, United States Code, to expand law enforcement availability pay to employees of the Air and Marine Operations of U.S. Customs and Border Protection

*As ordered reported by the Senate Committee on Homeland Security and
and Governmental Affairs on May 25, 2016*

S. 2970 would change the system for determining overtime compensation for certain employees of Air and Marine Operations in U.S. Customs and Border Protection (CBP). Based on information from CBP, CBO estimates that implementing S. 2970 would reduce costs by about \$2 million annually or \$10 million over the 2017-2021 period, assuming future appropriations are reduced consistent with the bill's provisions. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 2970 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

Under current law, about 500 law enforcement officers in Air and Marine Operations are eligible for overtime compensation under three different schedules: the Administratively Uncontrollable Overtime (AUO), the Fair Labor Standards Act (FLSA), and the Federal Employee Pay Act (FEPA). Total overtime costs for those officers, including pay and benefits, totaled \$18 million in 2015. Their total base pay was \$46 million in that year.

Under S. 2970, law enforcement officers in Air and Marine Operations would no longer be eligible for overtime compensation under AUO or the FLSA. The bill would make them eligible for Law Enforcement Availability Pay, and they would remain eligible for FEPA overtime pay. Costs would decline under S. 2970 mostly because the affected officers would no longer receive compensation required under the FLSA. According to CBP, if the overtime pay system in S. 2970 had been implemented for fiscal year 2015, total overtime costs for the affected officers would have been about \$16 million, or about \$2 million lower than the actual overtime expense for that year for those officers.

S. 2970 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

On May 16, 2016, CBO transmitted a cost estimate for H.R. 4902, a bill to amend title 5, United States Code, to expand law enforcement availability pay to employees of U.S. Customs and Border Protection's Air and Marine Operations, as ordered reported by the House Committee on Oversight and Government Reform on April 14, 2016. The two bills are similar and CBO's estimates of their budgetary effects are the same.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.