



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 17, 1999

### **H.R. 782**

#### **Older Americans Act of 1999**

*As ordered reported by the House Committee on Education and the Workforce on  
September 15, 1999*

#### **SUMMARY**

H.R. 782 would authorize spending for fiscal years 2000-2004 on programs designed to serve the needs of older Americans, including the funding of senior centers, supportive services, congregate and home-delivered meals, community service employment, and research on aging through grants to states and other organizations. Assuming appropriation of the authorized amounts, including adjustments for inflation after 2000, CBO estimates that additional outlays would total \$7.6 billion over the 2000-2004 period. If funding is maintained throughout the period at the \$1.6 billion authorized for 2000, outlays would total \$7.3 billion over the five years. In 1999, appropriations for older Americans programs totaled \$1.5 billion. Because H.R. 782 would not affect direct spending or receipts, pay-as-you-go procedures would not apply to the bill.

H.R. 782 contains no intergovernmental or private sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Any costs to state, local, or tribal governments as a result of enactment of this bill would be incurred voluntarily.

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

The estimated budgetary impact of H.R. 782 is shown in the following table.

The costs of this legislation fall within budget functions 500 (education, training, employment, and social services).

Table 1. Budgetary Effects of H.R. 782

	By Fiscal Year, in Millions of Dollars					
	1999	2000	2001	2002	2003	2004
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
<b>With Adjustments for Inflation</b>						
Spending Under Current Law						
Budget Authority	1,462	0	0	0	0	0
Estimated Outlays	1,441	632	56	0	0	0
Proposed Changes						
Estimated Authorization Level	0	1,607	1,643	1,686	1,731	1,775
Estimated Outlays	0	934	1,555	1,667	1,710	1,754
Spending Under H.R. 782						
Estimated Authorization Level	1,462	1,607	1,643	1,686	1,731	1,775
Estimated Outlays	1,441	1,566	1,611	1,667	1,710	1,754
<b>Without Adjustments for Inflation</b>						
Spending Under Current Law						
Budget Authority	1,462	0	0	0	0	0
Estimated Outlays	1,441	632	56	0	0	0
Proposed Changes						
Estimated Authorization Level	0	1,607	1,607	1,607	1,607	1,607
Estimated Outlays	0	934	1,534	1,607	1,607	1,607
Spending Under H.R. 782						
Estimated Authorization Level	1,462	1,607	1,607	1,607	1,607	1,607
Estimated Outlays	1,441	1,566	1,591	1,607	1,607	1,607

Note: Components may not sum to totals due to rounding.

## BASIS OF ESTIMATE

H.R. 782 would amend the Older Americans Act of 1965 by substituting new authorizations for programs that are broadly similar to those previously authorized. It would authorize appropriations of \$1.6 billion for fiscal year 2000 and "such sums as may be necessary" for 2001-2004 for programs designed to assist older Americans. Assuming that funding for 2001-2004 would be the same as the authorized level for 2000, adjusted for inflation,

appropriations would reach \$1.8 billion by 2004 and would total \$8.4 billion over the 2000-2004 period. If adjustments for inflation are not made, appropriations would total \$8.0 billion over the same five-year period. Outlay estimates assume spending according to the historical patterns of the programs. The amounts authorized for these programs, assuming inflation adjustments after 2000, are shown in Table 2, and the programs are discussed below.

The bill would reauthorize the Administration on Aging in the Department of Health and Human Services to administer programs for the elderly. In addition, it would reestablish grant-making authority for special projects and programs, including career preparation in the field of aging, pension rights demonstration projects, and health care service demonstration projects in rural areas. Together, administrative expenses and special projects would be authorized at \$33 million for fiscal year 2000.

Grants for Native American Programs on Aging would be authorized at \$19 million for fiscal year 2000. Native American organizations that represent at least 50 older individuals would be eligible to receive grants for the delivery of supportive and nutrition services.

H.R. 782 also would authorize grants for state and community programs on aging. As under current law, funding would be provided for supportive services and multipurpose senior centers (\$306 million in 2000), nutrition services (including congregate and home-delivered meals, for a total of \$496 million in 2000), supplemental nutrition services through the Department of Agriculture (\$150 million in 2000), and disease prevention and health promotion (\$16 million in 2000). The bill also would establish a new program designed to provide information and support to individuals who care for elderly family members. Grants to states for family caregiver programs would be authorized at \$125 million in 2000. Grants for senior centers and nutrition programs would be allotted to states according to the populations of individuals 60 years of age and older, and would cover no more than 85 percent of program costs. For the family caregiver programs, funds would be allotted based on the population of individuals aged 70 and older, and federal funds could be used for no more than 75 percent of program costs.

State programs to provide ombudsmen for long-term care and grants aimed at the prevention of elder abuse, neglect, and exploitation would be authorized at \$12 million for fiscal year 2000. Those grants would assist states in identifying, investigating, and resolving complaints made by or on behalf of residents of long-term care facilities.

Finally, the Senior Community Service Employment Program, which is operated by the Department of Labor and provides subsidized employment opportunities for individuals aged 55 and older, would be authorized at \$449 million for fiscal year 2000. Funding would be split between the states and national organizations, with states receiving an increasing share over the five-year period.

Table 2. Authorizations Under H.R. 782, With Adjustments for Inflation

	By Fiscal Year, in Millions of Dollars				
	2000	2001	2002	2003	2004
<b>Administration</b>					
Estimated Authorization	15	15	16	16	17
Estimated Outlays	14	15	16	16	17
<b>Special Projects</b>					
Estimated Authorization	18	19	19	20	20
Estimated Outlays	4	13	19	19	20
<b>Grants for Native Americans</b>					
Estimated Authorization	19	19	20	20	21
Estimated Outlays	9	18	19	20	21
<b>Supportive Services and Senior Centers</b>					
Estimated Authorization	306	313	322	330	339
Estimated Outlays	230	305	319	328	336
<b>Congregate Meals</b>					
Estimated Authorization	382	390	401	412	422
Estimated Outlays	324	381	399	410	421
<b>Home-Delivered Meals</b>					
Estimated Authorization	114	117	120	123	126
Estimated Outlays	86	115	119	122	126
<b>Supplemental Nutrition</b>					
Estimated Authorization	150	153	156	160	163
Estimated Outlays	116	152	156	159	162
<b>Disease Prevention and Health Promotion</b>					
Estimated Authorization	16	17	17	18	18
Estimated Outlays	12	16	17	18	18
<b>Family Caregiver</b>					
Estimated Authorization	125	128	131	135	138
Estimated Outlays	50	114	129	132	136
<b>Ombudsman and Elder Abuse Prevention</b>					
Estimated Authorization	12	13	13	13	14
Estimated Outlays	8	12	13	13	14
<b>Community Service Employment</b>					
Estimated Authorization	449	459	471	484	496
Estimated Outlays	81	413	460	472	485
<b>Total, Aging Services</b>					
Estimated Authorization	1,607	1,643	1,686	1,731	1,775
Estimated Outlays	934	1,555	1,667	1,710	1,754

Note: Components may not sum to totals due to rounding.

## **PAY-AS-YOU-GO CONSIDERATIONS**

None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 782 contains no intergovernmental or private sector mandates as defined in UMRA. CBO estimates that state, local, and tribal governments could receive grants totaling \$7 billion over the next five years under the programs authorized by this bill. Any costs associated with receipt of these funds would be incurred voluntarily.

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