



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 10, 2001

**H.R. 717
Muscular Dystrophy Community Assistance, Research and Education
Amendments of 2001 (MD-CARE Act)**

As ordered reported by the House Committee on Energy and Commerce on July 18, 2001

SUMMARY

H.R. 717 would require the National Institutes of Health (NIH) and the Centers for Disease Control and Prevention (CDC) to provide grants and expand research on the health needs of individuals with muscular dystrophy. Assuming the appropriation of the necessary amounts, CBO estimates that implementing H.R. 717 would cost \$4 million in 2002 and \$56 million over the 2002-2006 period. The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 717 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State, local, and tribal governments would be eligible for grants authorized by the bill for research activities associated with muscular dystrophy.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 717 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars					
	2001	2002	2003	2004	2005	2006
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Estimated Authorization Level ^a	6504	6664	6809	6959	7107	7265
Estimated Outlays	5326	6063	6474	6773	6992	7100
Proposed Changes						
Estimated Authorization Level	0	11	14	15	15	15
Estimated Outlays	0	4	10	13	14	15
Spending Under H.R. 717						
Estimated Authorization Level	6504	6675	6823	6974	7122	7280
Estimated Outlays	5326	6067	6484	6786	7006	7115

a. The 2001 level is the amount appropriated for that year for the agencies that would be affected by H.R. 717. The 2002-2006 levels are CBO baseline projections, including adjustments for anticipated inflation.

BASIS OF ESTIMATE

The bill would authorize the NIH to award grants to and contract with public and nonprofit private entities known as "Centers of Excellence" to provide basic and clinical research on muscular dystrophy, including diagnosis, early detection, prevention, and treatment. The centers would be awarded renewable contracts for up to five years for each contract period. CBO assumes that NIH would designate one center of excellence in 2002 and two additional centers in 2003.

The NIH would also be required to establish a program under which samples of tissue and other genetic materials used in muscular dystrophy research would be collected, stored, and made available for study.

The Secretary of Health and Human Services (HHS) would be required to establish a coordinating committee to organize to muscular dystrophy research activities across the NIH and other federal health programs. The committee would consist of 15 members appointed from both government agencies and from members of the public affected by muscular dystrophy. The committee would be required to produce a plan that identifies opportunities for research and education on muscular dystrophy. In addition, the committee would be required to submit a biennial report to the Congress summarizing expenditures by HHS and the current and future research agenda.

Based on amounts spent in the past for similar activities, CBO estimates that the activities of the NIH and the coordinating committee would cost \$2 million in 2002 and \$28 million over the 2002-2006 period if the necessary amounts are appropriated.

The bill would authorize appropriations of such sums as necessary for the Centers for Disease Control and Prevention to award grants to public or nonprofit private entities to conduct research, carry out epidemiological activities, and establish a national muscular dystrophy surveillance program. Based on information provided by the CDC about amounts spent in the past for similar activities and on the agency's historical spending patterns, CBO estimates the agency would spend \$2 million in 2002 and \$28 million over the 2002-2006 period for those purposes if the necessary amounts are appropriated.

This estimate assumes that the bill would be enacted and initial appropriations provided by October 1, 2001.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 717 contains no intergovernmental or private-sector mandates as defined in UMRA. State, local, and tribal governments would be eligible for grants authorized by the bill for research activities associated with muscular dystrophy.

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