



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 2, 2006

H.R. 5293 **Senior Independence Act of 2006**

*As ordered reported by the House Committee on Education and the Workforce
on May 17, 2006*

SUMMARY

H.R. 5293 would reauthorize programs under the Older Americans Act of 1965, which provides funding for services such as home and community-based supportive services, congregate and home-delivered meals, family caregiver support, and other services for the elderly. Authorizations for most of those programs expired at the end of fiscal year 2005, although a few of those programs are permanently authorized. Appropriations for the programs covered by this bill totaled \$1.8 billion in fiscal year 2006. CBO estimates that H.R. 5293 would increase authorizations by \$1.7 billion in 2007 and by \$8.8 billion from 2007 to 2011. Appropriation of those amounts would result in \$7.3 billion of discretionary spending over the next five years (in addition to amounts spent under current law).

H.R. 5293 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would be incurred voluntarily.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 5293 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment and social services).

	By Fiscal Year, in Millions of Dollars					
	2006	2007	2008	2009	2010	2011
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	1,795	92	94	95	97	99
Estimated Outlays	1,810	908	155	101	96	98
Proposed Changes						
Estimated Authorization Level	0	1,688	1,720	1,751	1,783	1,814
Estimated Outlays	0	877	1,164	1,722	1,760	1,791
Spending Under H.R. 5293						
Estimated Authorization Level ^a	1,795	1,780	1,813	1,846	1,880	1,913
Estimated Outlays	1,810	1,784	1,796	1,823	1,856	1,889

a. The 2006 level is the amount appropriated for that year for programs under the Older Americans Act of 1965.

BASIS OF ESTIMATE

H.R. 5293 would reauthorize programs established under the Older Americans Act of 1965. Through those programs, the Department of Health and Human Services and the Department of Labor provide grants to states and other eligible entities that provide services such as home-delivered meals, subsidized employment and training opportunities, and services to prevent abuse and neglect of older individuals. The authorizations for many of those programs expired at the end of fiscal year 2005. However, those programs received appropriations for fiscal year 2006 totaling \$1.8 billion.

The bill would reauthorize most of the programs at “such sums as may be necessary” for fiscal years 2007 through 2011. In those instances, CBO estimated the authorization levels by adjusting the 2006 appropriation levels for anticipated inflation. Those programs, along with their fiscal year 2006 appropriation levels, are listed below.

<u>Program</u>	<u>2006 Appropriation</u>
Home and Community-Based Supportive Services	\$351 million
Congregate Nutrition Services	\$385 million
Home-Delivered Nutrition Services	\$182 million
Nutrition Services Incentive Program	\$148 million
Preventive Health Services	\$21 million
Program Administration	\$18 million
Community Service Employment	\$432 million

Based on the above amounts appropriated for fiscal year 2006 (which total a little more than \$1.5 billion), CBO estimates authorization levels for those programs to total about \$1.6 billion in fiscal year 2007, and \$8.1 billion over the 2007-2011 period.

The bill would authorize the appropriation of \$125 million for the National Family Caregiver Support program for fiscal year 2007, and such sums as may be necessary for the following four fiscal years. That program received an appropriation of \$156 million for fiscal year 2006; its authorization expired at the end of fiscal year 2005.

The Native American Caregiver Support program—which is permanently authorized under current law—received an appropriation of \$6 million for 2006. H.R. 5293 would set the authorization level for that program at \$5 million for fiscal year 2007 and such sums as may be necessary in following years.

A handful of other programs are permanently authorized under current law: Native American Nutrition and Supportive Services, the Long-Term Care Ombudsman program, grants to prevent elder abuse and neglect, grants for program innovations, and aging network support activities (including pension counseling and eldercare locator services). Appropriations for those programs totaled \$84 million in fiscal year 2006. Three of those (Native American Nutrition and Supportive Services, the Long-Term Care Ombudsman program, and grants to prevent elder abuse and neglect) would retain their permanent authorization under H.R. 5293. The others would be authorized at “such sums as may be necessary” for fiscal years 2007 through 2011. Because those programs are permanently authorized, their reauthorization under H.R. 5293 would not represent an increase in authorization levels for fiscal years 2007 through 2011.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 5293 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would authorize funds that would benefit state, local, and tribal governments that provide services authorized in the Older Americans Act. Any costs they might incur to comply with grant requirements would be incurred voluntarily.

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