



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

Revised June 21, 2006

**S. 3525  
Improving Outcomes for Children Affected by Meth Act of 2006**

*As ordered reported by the Senate Committee on Finance  
on June 8, 2006*

**SUMMARY**

S. 3525 would amend subpart 2 of part B of title IV of the Social Security Act to reauthorize various child welfare programs and to direct funding to assist families affected by methamphetamine abuse and addiction. The bill would increase discretionary authorizations by an estimated \$1.1 billion over the 2007-2011 period, and, assuming the appropriation of the authorized amounts, would result in additional outlays of \$0.8 billion over the same period.

Certain child welfare programs categorized as direct spending also would be reauthorized by the bill. As required by the Deficit Control Act, the costs of extending those mandatory programs—\$1.4 billion over the 2007-2011 period—are already included in CBO's baseline. Therefore, enacting S. 3525 would not result in an estimated change in direct spending relative to those baseline projections.

The bill contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act (UMRA); any costs to state, local, or tribal governments would result from complying with conditions of federal assistance.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 3525 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
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
<b>Spending Under Current Law</b>						
Estimated Authorization Level <sup>a</sup>	138	50	51	52	53	54
Estimated Outlays	136	116	67	55	52	53
<b>Proposed Changes</b>						
<b>Promoting Safe and Stable Families</b>						
Authorization Level	0	200	200	200	200	200
Estimated Outlays	0	40	150	190	200	200
<b>Mentoring Children of Prisoners</b>						
Estimated Authorization Level	0	17	16	15	14	13
Estimated Outlays	0	1	12	14	15	14
<b>Total Changes</b>						
Estimated Authorization Level	0	217	216	215	214	213
Estimated Outlays	0	41	162	204	215	214
<b>Spending Under S. 3525</b>						
Authorization Level <sup>a</sup>	138	267	267	267	267	267
Estimated Outlays	136	157	229	259	267	267
<b>Memorandum:</b>						
<b>Direct Spending from Program Extensions Assumed in CBO's Baseline</b>						
<b>Promoting Safe and Stable Families</b>						
Estimated Budget Authority	0	345	345	345	345	345
Estimated Outlays	0	93	283	328	345	345
a. The 2006 level is the amount appropriated for that year.						

## BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the end of fiscal year 2006, and that the authorized amounts will be appropriated for fiscal year 2007 and subsequent years. The estimated outlays reflect historical spending patterns for these programs.

The bill would amend and reauthorize various child welfare programs, including the Promoting Safe and Stable Families (PSSF) program and the Mentoring Children of Prisoners program. PSSF is currently authorized through fiscal year 2006, and receives both mandatory and discretionary funding. Funding for the mandatory part of PSSF is \$345 million for fiscal year 2006; the discretionary portion received an appropriation for this year of \$89 million. Reauthorization of PSSF would have no effect on direct spending relative to CBO's baseline because those mandatory costs are already assumed in the baseline. The Mentoring Children of Prisoners program is permanently authorized and received funding of \$49 million for 2006. That program, along with discretionary grants under the PSSF program, would be reauthorized at stated amounts for fiscal years 2007 through 2011, for an estimated increase in discretionary authorizations of \$1.1 billion over that period.

### **Spending Subject to Appropriation**

The bill would reauthorize discretionary grants under the PSSF program as well as the program for mentoring children of prisoners. PSSF currently is authorized through fiscal year 2006. The program for mentoring children of prisoners is permanently authorized at "such sums as may be necessary."

**Promoting Safe and Stable Families.** Discretionary appropriations for PSSF totaled \$89 million for 2006. S. 3525 would authorize appropriations for the discretionary PSSF grants at \$200 million annually from 2007 through 2011, for a total of \$1 billion over that five-year period. Based on historical spending rates for the program, CBO estimates that resulting outlays would total \$780 million over the 2007-2011 period.

**Mentoring Children of Prisoners.** S. 3525 would authorize appropriations of \$67 million for the Mentoring Children of Prisoners program annually from 2007 through 2011. The program, which currently is permanently authorized, received an appropriation of \$49 million for fiscal year 2006. For the purpose of this estimate, CBO estimates the "such sums" authorizations under current law by adjusting the 2006 appropriation for inflation. The authorizations specified in the bill would exceed those amounts by \$75 million from 2007 through 2011. The bill would call for establishing a cooperative agreement with an entity charged with identifying appropriate mentoring organizations, providing outreach to eligible families about mentoring services, and distributing vouchers on behalf of these families for such services.

## **Direct Spending**

S. 3525 would reauthorize mandatory grants under the PSSF program at \$345 million each year for fiscal years 2007 through 2011. Those grants currently are authorized at \$345 million for fiscal year 2006. Under the procedures specified in section 257 of the Deficit Control Act, the costs of extending PSSF are assumed in CBO's baseline. The bill would reserve \$40 million of those funds for grants to regional partnerships for the provision of services such as drug treatment, counseling, and parental skills training.

Section 6 could result in added costs for the federal program that provides federal matching funds to states for foster care and adoption assistance because it would require states to include assurances of additional monitoring of certain adoptive and foster homes in their plans. CBO estimates that the federal cost of this additional monitoring is likely to be less than \$500,000 each year.

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

S. 3525 contains no intergovernmental or private-sector mandates as defined by UMRA. State, local, and tribal governments would benefit from grant funds authorized in the bill including funds reserved for implementing services for children affected by drug abuse. Any costs they might incur would result from complying with conditions of federal assistance.

## **PREVIOUS CBO ESTIMATE**

This estimate supersedes the cost estimate for S. 3525 that CBO transmitted on June 20, 2006. That estimate incorrectly assumed that the Mentoring Children of Prisoners program was not authorized beyond 2006, and showed costs for reauthorizing that program that did not account for the existing authorization.

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