



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 22, 2017

### **H.R. 2548** **FEMA Reauthorization Act of 2017**

*As ordered reported by the House Committee on Transportation and Infrastructure  
on May 24, 2017*

#### **SUMMARY**

H.R. 2548 would authorize appropriations for the administration and operation of the Federal Emergency Management Agency (FEMA) and for the National Domestic Preparedness Consortium (NDPC) from 2018 through 2020. The bill also would require FEMA's National Advisory Council (NAC) to complete a comprehensive study of disaster costs and federal disaster assistance.

CBO estimates that implementing H.R. 2548 would cost about \$3.7 billion over the 2018-2022 period, assuming appropriation of the authorized and necessary amounts. Enacting H.R. 2548 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2548 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

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

The estimated budgetary effect of H.R. 2548 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars						2017-
	2017	2018	2019	2020	2021	2022	2022
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
FEMA Administration and Operation							
Authorization Level	0	1,049	1,066	1,083	0	0	3,198
Estimated Outlays	0	629	954	1,064	421	97	3,165
National Domestic Preparedness Consortium							
Authorization Level	0	165	168	170	0	0	503
Estimated Outlays	0	99	150	167	66	15	497
National Advisory Council Study							
Estimated Authorization Level	0	4	0	0	0	0	4
Estimated Outlays	0	4	0	0	0	0	4
Total Increases							
Estimated Authorization Level	0	1,218	1,234	1,253	0	0	3,705
Estimated Outlays	0	732	1,104	1,231	487	112	3,666

Note: FEMA = Federal Emergency Management Agency.

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 2548 will be enacted near the end of 2017, that the authorized and necessary amounts will be appropriated for each year, and that spending will follow historical patterns for the affected programs.

### **FEMA Administration and Operation**

FEMA is responsible for protecting against, responding to, and recovering from all hazards, including natural disasters, acts of terrorism, and other man-made disasters. H.R. 2548 would authorize the appropriation of about \$1 billion for 2018 and about \$3.2 billion over the 2018-2020 period for the administration and operation of FEMA; in 2017, the Congress appropriated \$1 billion for those purposes. CBO estimates that implementing this section would cost about \$3.2 billion over the 2018-2022 period.

### **National Domestic Preparedness Consortium**

The NDPC is a partnership of several nationally recognized organizations that address the counter-terrorism preparedness needs of the nation's emergency responders within the

context of all hazards. FEMA uses this organization to identify, develop, test, and deliver training to state and local emergency responders. The bill would authorize the appropriation of \$165 million for 2018 and \$503 million over the 2018-2020 period for operation of the NDPC; in 2016 FEMA allocated \$98 million for the NDPC (the latest year for which information is available). CBO estimates that implementing this section would cost \$497 million over the 2018-2022 period.

### **National Advisory Council Study**

H.R. 2548 would direct the NAC to complete a comprehensive study of the costs of recent disasters and the effectiveness of FEMA's emergency assistance programs. The NAC also would submit recommendations to the Congress to improve the efficiency and effectiveness of federal disaster relief. Based on an analysis of information provided by FEMA on the cost of a similar study, CBO estimates that implementing this provision would cost \$4 million in 2018.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

### **INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS**

CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

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

H.R. 2548 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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