



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 6, 2000

### **S. 2725**

### **Chimpanzee Health Improvement, Maintenance, and Protection Act**

*As ordered reported by the Senate Committee on Health, Education, Labor, and Pensions on September 20, 2000*

#### **SUMMARY**

The Chimpanzee Health Improvement, Maintenance, and Protection Act would require the Secretary of the Department of Health and Human Services (DHHS) to provide lifetime care for "permanently retired" chimpanzees, defined as chimpanzees that are no longer needed in research or captive breeding programs conducted or supported by federal agencies.

The legislation would authorize the construction of a long-term care sanctuary through a contract between DHHS and a private, nonprofit entity. This entity would be required to pay for 10 percent of construction costs and 25 percent of the costs of caring for the chimpanzees. The sanctuary would accept both chimpanzees currently owned or supported by the federal government, and nonfederal chimpanzees if facilities permit. In the latter case, the Secretary may determine and impose an entrance fee for acceptance of the animal.

Assuming the appropriation of the necessary amounts, CBO estimates that implementing S. 2725 would cost \$11 million in 2001 and \$2 million over the 2001-2005 period. The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 2725 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

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

The estimated budgetary impact of S. 2725 is shown in the following table. The costs of this legislation fall primarily within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law						
Estimated Authorization Level <sup>a</sup>	7	7	7	7	7	7
Estimated Outlays	7	7	7	7	7	7
Proposed Changes:						
New Sanctuary Spending						
Estimated Authorization Level	0	16	0	0	0	0
Estimated Outlays	0	11	5	0	0	0
Care and Maintenance						
Estimated Authorization Level	0	0	2	3	3	3
Estimated Outlays	0	0	2	3	3	3
Elimination of Current Spending						
Estimated Authorization Level	0	0	-4	-7	-7	-7
Estimated Outlays	0	0	-4	-7	-7	-7
Net Changes						
Estimated Authorization Level	0	16	-2	-4	-4	-3
Estimated Outlays	0	11	2	-4	-4	-3
Spending Under S. 2725						
Estimated Authorization Level	7	23	5	3	3	3
Estimated Outlays	7	19	9	3	3	3

NOTE: Numbers may not sum to totals because of rounding.

a. The 2000 level is the amount appropriated for that year for the agencies that would be affected by S. 2725. The 2001-2005 levels are CBO baseline projections.

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted early in fiscal year 2001, and that outlays will follow historical spending rates for the relevant agencies for the authorized activities. CBO based its estimates on amounts spent in the past for the caring of chimpanzees in government facilities and on discussions with individuals familiar with the care of primates in a sanctuary setting. The costs of sanctuary construction and the care and maintenance of surplus chimpanzees would be primarily funded by the federal government, with a provision in the legislation requiring a match by the private nonprofit entity awarded

the contract to care for the animals. The contract holder would be responsible for 10 percent of the cost of facility construction and 25 percent of the cost of routine care and maintenance of the chimpanzees.

The legislation also would allow the Secretary of DHHS to withhold appropriated funds in a reserve account not to exceed a total reserve of \$30 million. However, it is unclear as to what activities this cap would apply.

Currently, the federal government pays for the care of almost 1,500 chimpanzees either purchased or bred for research. Of this amount, CBO estimates that over 750 animals would be potential candidates for long-term sanctuary care. This figure assumes retirement of all animals that were used in research and now pose a threat to public health, and almost one-half of those no longer needed for breeding purposes or available for research, but not currently in use. The remaining chimpanzees would not be eligible because of their use in current research projects, need in breeding programs, or need in maintaining an adequate population of research subjects should a public health crisis emerge. In addition, CBO estimates that new chimpanzees would be added to the sanctuary each year as they were no longer needed for research or breeding.

CBO estimates that the cost of caring for a chimpanzee in an external sanctuary would be less expensive on a per capita basis than if the government continued to house the animals in federally owned and operated facilities. Therefore, the government would realize a savings in the care and maintenance of the chimpanzees after 2002. However, facility construction between 2001 and 2002 would be in addition to what is currently spent as the animals are expected to remain in federal facilities during this time. On balance, these factors imply an increase in discretionary spending until construction is completed—probably in 2002—and a net decrease in spending after 2002. This estimate does not include the collection of any fees, to be determined by the Secretary, that may be imposed on the acceptance of chimpanzees into the sanctuary system that are not federally owned.

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

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

S. 2725 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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