



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

October 25, 2002

**S. 2715**

**A bill to provide an additional extension of the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001**

*As ordered reported by the Senate Committee on Environment and Public Works  
on September 26, 2002*

**SUMMARY**

S. 2715 would require the Federal Emergency Management Agency (FEMA) to extend the amount of time from 39 weeks to 52 weeks that victims of the September 11, 2001, terrorist attacks would be eligible to receive disaster unemployment assistance.

CBO estimates that extending the period of eligibility would cost the federal government about \$15 million in fiscal year 2003, assuming appropriation of the necessary amounts. S. 2715 would not affect direct spending or revenues.

S. 2715 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 impact of S. 2715 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

	2003	2004	2005	2006	2007
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**CHANGES IN SPENDING SUBJECT TO APPROPRIATION**

Estimated Authorization Level	15	0	0	0	0
Estimated Outlays	15	0	0	0	0

**BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 2715 will be enacted by the end of calendar year 2002 and that the necessary funds will be appropriated. Based on information from FEMA and information about prior extensions of federal unemployment compensation, CBO estimates that extending the period of eligibility for disaster unemployment benefits would cost about \$15 million in fiscal year 2003.

FEMA provided unemployment assistance to those affected by the September 11, 2001, terrorist attacks who did not receive such assistance from the state of New York. Both the FEMA program and the state program expired in June 2002. At the time the programs expired, about 1,200 people were receiving assistance from the FEMA program, and about 21,500 people were receiving assistance from the state program. S. 2715 would extend the FEMA program.

Since there is currently no extension of the state program, CBO expects that FEMA would provide assistance to people who had originally received assistance from that agency as well as to people who had originally received such assistance from the state of New York. Based on information from FEMA, CBO estimates that the total number of disaster unemployment assistance claims under S. 2715 would be about 11,000.

CBO expects that the total number of recipients receiving assistance would decrease each week by 5 percent over the 13-week period of eligibility. We estimate that under this bill the victims would receive an average rate of \$140 a week for an average of about 10 weeks.

**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 2715 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## **PREVIOUS CBO ESTIMATE**

On December 6, 2001, CBO transmitted a cost estimate for S. 1622, a bill to extend the period of availability of unemployment assistance under the Robert T. Stafford Disaster Relief and Emergency Assistance Act in the case of victims of the terrorist attacks of September 11, 2001, as ordered reported by the Senate Committee on Environment and Public Works on November 8, 2001. And, on March 1, 2002, CBO transmitted a cost estimate for S. 1622 as ordered reported by the House Committee on Transportation and Infrastructure on February 27, 2002. For those estimates, CBO did not assume that the FEMA program would cover people who had received assistance from the state of New York, so the estimated costs were lower.

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