



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 4, 2006

**H.R. 5865
Returned Americans Protection Act of 2006**

*As cleared by the Congress on July 26, 2006,
and signed by the President on July 27, 2006*

SUMMARY

H.R. 5865, enacted as Public Law 109-250, amends section 1113 of the Social Security Act, raising the limit on emergency assistance funds provided to U.S. citizens returning from foreign countries. The act raises the emergency funding limit from \$1 million to \$6 million for fiscal year 2006.

H.R. 5865 also allows state Food Stamp agencies to access the National Directory of New Hires (NDNH) to verify employment and wage information for food stamp recipients.

CBO estimates that H.R. 5865 will increase direct spending by \$3 million in 2006 and by \$1 million in 2007. We also estimate that H.R. 5865 will decrease direct spending by \$1 million per year from 2008 through 2014, and by \$2 million per year in 2015 and 2016. Thus, the law will have no net effect on spending over the 2006-2011 period, and it will reduce spending by \$7 million over the 2006-2016 period.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 5865 is shown in the following table. The effects of H.R. 5865 fall within budget function 600 (income security).

ESTIMATED EFFECTS OF H.R. 5865 ON DIRECT SPENDING (By fiscal year, in millions of dollars)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2006- 2011	2006- 2016
CHANGES IN DIRECT SPENDING													
Raise Limit on Repatriation Assistance to \$6 million for Fiscal Year 2006													
Estimated Budget Authority	4	0	0	0	0	0	0	0	0	0	0	4	4
Estimated Outlays	3	1	0	0	0	0	0	0	0	0	0	4	4
Allow Food Stamp Agencies to Access the New Hires Directory													
Estimated Budget Authority	0	0	-1	-1	-1	-1	-1	-1	-1	-2	-2	-4	-11
Estimated Outlays	0	0	-1	-1	-1	-1	-1	-1	-1	-2	-2	-4	-11
Total Changes													
Estimated Budget Authority	4	0	-1	-1	-1	-1	-1	-1	-1	-2	-2	0	-7
Estimated Outlays	3	1	-1	-1	-1	-1	-1	-1	-1	-2	-2	0	-7

BASIS OF ESTIMATE

H.R. 5865 raises the limit on temporary assistance payments made by the U.S. Department of Health and Human Services (HHS) to U.S. citizens returning from foreign countries from \$1 million to \$6 million for fiscal year 2006. CBO expects the additional funds this year will be spent on U.S. citizens returning from Lebanon as a result of the recent hostilities in that country.

This program provides emergency assistance to U.S. citizens forced to leave a foreign country due to indigence, ill health, or a conflict in that country. Assistance is made available to these citizens upon their return to the United States. This assistance covers many potential expenses, including airline tickets to home destinations, medical help, emergency cash assistance, assessment of returning citizens' needs, and airport fees.

CBO bases its estimate on the previous experiences in emergencies, such as the repatriation of Americans during the 1990-1991 Gulf War, and discussions with HHS staff administering the program. CBO estimates that of the roughly 25,000 U.S. citizens residing in Lebanon at the start of hostilities, approximately 12,000 will return to the United States before the end of this fiscal year, and about one-third of these returnees will need emergency assistance.

CBO estimates that HHS's outlays will increase by \$3 million in 2006 and \$1 million in 2007. CBO estimates that most of this money will be spent this fiscal year because most returnees from Lebanon are expected back in the United States by mid-August 2006.

H.R. 5865 also allows state Food Stamp agencies to access the NDNH to verify employment and wage information for food stamp recipients. The NDNH contains information on individuals' employment, wages, and unemployment insurance receipt. While each state has its own database of new hires, state Food Stamp agencies who choose to use the NDNH will be able to verify the income of people who work in other states or who work for a multistate employer who reports new hire information to only one state. This additional information will allow state agencies to determine the correct level of benefit and reduce overpayments. These savings will be partially offset by the administrative cost to use the NDNH.

About half of the states already have agreements to access other states' directories of new hires. CBO assumes that one-half of the states that do not currently have agreements will opt to use the NDNH. Based on information about the share of people who work in states other than the one in which they reside and average food stamp overpayments, CBO estimates net savings of \$1 million per year, beginning in 2008, rising to \$2 million per year by 2015. We expect that there will not be any savings until 2008 because states will need time to enter into agreements to access the NDNH data.

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