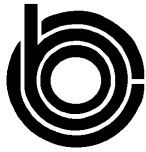

CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 11, 2007

H. R. 1852

Expanding American Homeownership Act of 2007

As ordered reported by the House Committee on Financial Services on May 3, 2007

SUMMARY

H.R. 1852 would amend the National Housing Act to authorize the Federal Housing Administration (FHA) to implement a new pricing structure for the mortgage guarantees it offers. This legislation also would remove the statutory limitation on the number of reverse mortgages that FHA can insure and would make other changes to the Home Equity Conversion Mortgage (HECM) program. In addition, this legislation would authorize the appropriation of funds to provide certain borrowers with financial counseling and to establish a new affordable housing fund.

Enacting H.R. 1852 would increase direct spending by allowing the Department of Housing and Urban Development (HUD) to sell certain properties at below-market prices without an appropriation of funds to offset any forgone sales proceeds. That provision would modify the cost of some previous and outstanding loan guarantees. As a result, CBO estimates that enacting H.R. 1852 would increase direct spending by $16 million in 2007.

CBO also estimates that implementing H.R. 1852 would result in a net increase in offsetting collections (a credit against discretionary spending) of $313 million in 2008 and $628 million over the 2008-2012 period, assuming that appropriation laws necessary to implement the FHA programs and the Mortgage-Backed Securities (MBS) program of the Government National Mortgage Association (GNMA) are enacted.

H.R. 1852 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 H. R. 1852 is shown in the following table. The cost of this legislation falls within budget functions 370 (mortgage and housing credit) and 600 (income security).

TABLE 1. ESTIMATED BUDGETARY IMPACT OF H.R. 1852

	By Fiscal Year, in Millions of Dollars					
	2007	2008	2009	2010	2011	2012
CHANGES IN DIRECT SPENDING						
Discounted Multifamily Sale						
Estimated Budget Authority	2	0	0	0	0	0
Estimated Outlays	2	0	0	0	0	0
Noncompetitive Multifamily Sales						
Estimated Budget Authority	14	0	0	0	0	0
Estimated Outlays	14	0	0	0	0	0
Total Changes						
Estimated Budget Authority	16	0	0	0	0	0
Estimated Outlays	16	0	0	0	0	0
SPENDING SUBJECT TO APPROPRIATION						
Net FHA and GNMA Spending, and Spending for Housing Counseling Under Current Law [a]						
Estimated Authorization Level	-900	-402	-425	-425	-425	-425
Estimated Outlays	-900	-365	-419	-425	-425	-425
Total Changes						
Estimated Authorization Level	0	-12	-16	-17	-22	-28
Estimated Outlays	0	-313	-139	-36	-65	-75
Net Spending Under H.R. 1852						
Estimated Authorization Level	-900	-414	-441	-442	-447	-453
Estimated Outlays	-900	-678	-558	-461	-490	-500

NOTE: GNMA = Government National Mortgage Association; HECM = Home Equity Conversion Mortgage; MBS = Mortgage-Backed Securities; HUD = Department of Housing and Urban Development; FHA = Federal Housing Administration.

a. The figures for 2007 are CBO's current estimates of budget authority and outlays for FHA's multifamily and single-family programs, the HECM program, HUD's housing counseling program, and for GNMA's MBS program under the enacted appropriation levels for this year. The 2008-2012 levels are CBO's baseline estimates of the net offsetting collections that would be generated by those programs, assuming that appropriation laws necessary to implement FHA and GNMA programs are enacted.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 1852 will be enacted before the end of fiscal year 2007, that the amounts necessary to implement the bill will be appropriated for each year, and that appropriation laws necessary to implement the FHA and GNMA programs will be enacted each year.

Changes in Direct Spending

Prior to the enactment of the Deficit Reduction Act (DRA) of 2005, HUD often sold foreclosed multifamily properties to state and local governments as part of its right of first refusal program (that is, a noncompetitive program in which HUD negotiated directly with the buyer). Frequently, state and local governments purchased those properties for nominal amounts, such as $1. The DRA bars HUD from taking into account the cost of rehabilitating the foreclosed property and the expense of maintaining existing affordability restrictions on the property (for example, limiting the amount of rent paid by tenants) when setting the price for a noncompetitive property sale. As a result, noncompetitive sales no longer occur. Potential buyers (including state and local governments) have concluded that the price HUD sets for a noncompetitive sale exceeds the amount that bidders would offer in a competitive auction. DRA authorizes HUD to sell foreclosed properties at lower prices only if funds have been appropriated to offset the forgone sales proceeds through 2010. Since the enactment of DRA in 2006, no such appropriations have been provided.

Both sections 27 and 28 would result in below-market sales in certain circumstances without further appropriation action. Enacting those sections would increase direct spending because the cash flows associated with some previous and existing loan guarantees would be modified. The cost of a loan modification is estimated on a net-present-value basis and recorded in the year in which the legislation is enacted. CBO estimates that enacting the two sections would result in a cost of $16 million in 2007, as discussed below.

Valuation of Multifamily Properties in Noncompetitive Sales by HUD to States and Localities. Section 27 would require HUD to adjust for the cost of rehabilitating and maintaining existing affordability restrictions when appraising foreclosed properties for the purpose of calculating the price for sales to states and localities. CBO expects that this legislation would allow noncompetitive sales to become an attractive alternative to competitive auctions for some state and local governments. Consequently, we estimate that the volume of noncompetitive sales of foreclosed properties would return to levels that existed prior to the enactment of the DRA—about 10 property sales each year.

Based on information from HUD, CBO estimates that the price paid in noncompetitive sales prior to enactment of DRA averaged $1.3 million less than the price paid in competitive sales for similar properties. Based on information from HUD, we do not expect that HUD would return to its pre-DRA practice of negotiating sales prices for nominal amounts. However, CBO estimates that it is likely that the sales price in half of the negotiated sales that would occur under H.R. 1852 would be less than the price that would be received in an auction. Consequently, we estimate that, on average, the government would forgo receipts of about $5 million per year—$1 million each for about five properties per year that would be sold in noncompetitive sales over the 2008-2010 period.

Because enacting this provision would change the expected cash flows associated with the multifamily insurance program, this loss of sales proceeds (which are recoveries on defaulted loans) would be considered a modification of existing federal loan guarantees. Under credit reform procedures, the costs of such modifications are estimated on a net-present-value basis and recorded in the year in which the legislation is enacted. Assuming the bill is enacted late in fiscal year 2007, CBO estimates that enacting this provision would result in an increase in direct spending of $14 million in 2007. (Such estimated costs would be recorded in 2008 if the bill is enacted after September 30, 2007.)

Clarification of Disposition of Certain Properties. Section 28 would, under certain circumstances, exempt properties from the sale requirements specified in the DRA. Based on information from HUD, CBO estimates that this provision would affect the sale of one property located in Michigan by allowing its sale to the city government at a price below market value. CBO estimates that the market value of the property is about $2 million, and that, under current law, it will be sold at a competitive auction; under this provision, the property could instead be sold to the city government for a nominal amount. Because this section would result in a change to the cash flows associated with the original loan guarantee, this loss of receipts would be considered a loan modification. As a result, CBO estimates that enacting this section would increase direct spending by about $2 million in 2007.

Spending Subject to Appropriation

CBO estimates that implementing H.R. 1852 would result in an increase in offsetting collections of $313 million in 2008 and $628 million over the 2008-2012 period, assuming enactment of appropriation laws necessary to implement the FHA and GNMA programs. The estimated additional offsetting collections would stem from the authority in H.R. 1852 to expand FHA's HECM loan program and to raise the loan limits for FHA's multifamily

program. The latter change also would result in more offsetting collections for GNMA. Additional discretionary costs associated with limiting a planned increase in mortgage insurance fees, providing payment incentives to certain FHA borrowers, and authorizing the appropriation of funds for housing counseling and for a new affordable housing fund would be netted against those new offsetting collections.

CBO expects that other provisions of the bill would have no significant budgetary impact over the next five years. The major provisions of the bill are discussed below. Table 2 details the components of estimated spending subject to appropriation under H.R. 1852.

Amendments to the HECM Loan Insurance Program. HECM loans are considered to be "reverse mortgages" because they enable homeowners who are at least 62 years of age to withdraw some of the equity in their homes in the form of monthly payments, in a lump sum, or through a line of credit. Under current law, FHA is permitted to guarantee up to a cumulative total of 275,000 such loans, although this limitation has been waived through fiscal year 2007. This cap has already been reached this year; consequently, the program will be inactive beginning in 2008 unless the cap is amended.

Loan size is tied to loan limits that vary by geographic region, and such loans cannot be used to purchase another home. In addition, the origination fee charged by lenders is calculated as a percentage of the home's value.

Enacting this legislation would remove the statutory limitation on the number of loans that could be guaranteed, set a single nationwide limit on the dollar amount of a HECM loan that would be tied to the conforming loan amount, limit the origination fee to 2 percent of the loan amount (subject to a minimum allowable amount), and allow borrowers to use HECM loans to purchase a new home. (Conforming loans have terms and conditions that follow the guidelines set forth by the Government Sponsored Enterprises (GSEs); the conforming loan amount is $417,000.)

Implementation of the HECM program, like all of FHA's insurance programs, is contingent on the enactment of appropriation laws that provide annual loan commitment authority. Thus, the estimated budgetary impact of this proposal is considered to be discretionary, and it is tied to the demand for HECM loans and the estimated subsidy cost of the loan guarantees. Because, under credit reform procedures, guarantees of HECM loans are estimated to have negative subsidies (that is, they earn money for the government), CBO estimates that implementing those amendments would increase offsetting collections by about $2.1 billion over the 2008-2012 period.

TABLE 2. ESTIMATED EFFECTS OF H.R. 1852 ON SPENDING SUBJECT TO APPROPRIATION

	By Fiscal Year, in Millions of Dollars					
	2007	2008	2009	2010	2011	2012
SPENDING SUBJECT TO APPROPRIATION						
Net FHA and GNMA Spending, and Spending for Housing Counseling Under Current Law [a]						
Estimated Authorization Level	-900	-402	-425	-425	-425	-425
Estimated Outlays	-900	-365	-419	-425	-425	-425
Proposed Changes						
Amendments to HECM Loan Program						
Estimated Authorization Level	0	-370	-385	-410	-445	-480
Estimated Outlays	0	-370	-385	-410	-445	-480
Higher Loan Limits for Multifamily Program						
Estimated Authorization Level	0	-19	-19	-19	-19	-19
Estimated Outlays	0	-19	-19	-19	-19	-19
Additional GNMA Offsetting Collections						
Estimated Authorization Level	0	-12	-17	-19	-26	-34
Estimated Outlays	0	-12	-17	-19	-26	-34
Limit on Premium Increases for Mortgage Insurance						
Estimated Authorization Level	0	20	43	43	43	43
Estimated Outlays	0	20	43	43	43	43
Cost of Payment Incentives						
Estimated Authorization Level	0	16	16	16	16	16
Estimated Outlays	0	16	16	16	16	16
Housing Counseling Program						
Estimated Authorization Level	0	58	58	58	58	58
Estimated Outlays	0	6	49	58	58	58
FHA Technology Support Costs						
Authorization Level	0	25	25	25	25	25
Estimated Outlays	0	19	25	25	25	25
Affordable Housing Fund						
Estimated Authorization Level	0	270	262	287	322	357
Estimated Outlays	0	27	148	268	279	310
Total Changes						
Estimated Authorization Level	0	-12	-16	-17	-22	-28
Estimated Outlays	0	-313	-139	-36	-65	-75
Net Spending Under H.R. 1852						
Estimated Authorization Level	-900	-414	-441	-442	-447	-453
Estimated Outlays	-900	-678	-558	-461	-490	-500

NOTE: GNMA = Government National Mortgage Association; HECM = Home Equity Conversion Mortgage; MBS = Mortgage-Backed Securities; HUD = Department of Housing and Urban Development; FHA = Federal Housing Administration.

a. The figures for 2007 are CBO's current estimates of budget authority and outlays for FHA's multifamily and single-family programs, the HECM program, HUD's housing counseling program, and for GNMA's MBS program under the enacted appropriation levels for this year. The 2008-2012 levels are CBO's baseline estimates of the net offsetting collections that would be generated by those programs, assuming that appropriation laws necessary to implement FHA and GNMA programs are enacted.

Demand for HECM Loans. According to the National Reverse Mortgage Lenders Association (NRMLA) and other industry experts, the HECM program has risen in popularity in recent years. As more consumers are becoming aware of the product, more households are becoming eligible for the program (currently over 17 million households have owners who are age 65 or older, according to census data), and more seniors view the product as an alternative approach to financing home-improvement projects, medical costs, and other needs. In addition, sources in the mortgage industry have observed an increasing demand among seniors for new housing within senior communities. The number of HECM loans insured by FHA more than doubled from 2003 to 2006 (18,000 loans were insured in 2003, compared with 76,000 loans in 2006). Furthermore, based on the number of HECM loans insured as of April 2006, that volume could reach over 100,000 loans by the end of fiscal year 2007.

Based on information from FHA, NRMLA, and other industry experts, CBO estimates that setting a single nationwide loan limit and permitting borrowers to use HECM loans to purchase a new home would result in a product that would be more attractive to borrowers and more easily marketed by lenders, resulting in increased demand for HECM loans. On the other hand, the limit on the origination fee could result in a program that is less profitable for certain lenders, causing some to end or limit their participation in the program. A lower origination fee, however, could increase the program's attractiveness to some borrowers, assuming lenders do not increase interest rates significantly to compensate for lower origination fees.

Currently, the market for FHA's HECM loans appears to be very robust, and under this bill, FHA would probably insure more than 100,000 loans annually over the next several years. Also, GNMA's recent decision to begin securitizing HECM loans could result in increased activity by lenders, as investors in the secondary mortgage market begin to invest in mortgage-backed securities that include this product. Whether the number of guarantees could exceed 100,000 loans on a continued basis each year would depend on FHA's ability to administer and manage the program in an efficient manner and on the market's response to this bill, especially the change in the origination fee. Based on information from FHA, CBO estimates that the agency could insure about 110,000 loans (with a face value of about $27 billion) in 2008. In subsequent years, we estimate that demand would increase at the estimated rates for appreciation in housing prices—about 2 percent to 4 percent a year.

Subsidy Cost. Under current law, FHA guarantees of HECM loans are estimated to result in net offsetting collections to the federal government because guarantee fees for those mortgages are currently estimated to more than offset the costs of expected defaults. For 2008, the Administration's subsidy estimate for HECM guarantees is -1.9 percent. Under the expanded program authorized by H.R. 1852, CBO estimates that the subsidy rate for the HECM loans would be -1.35 percent. This reduction from the estimated rate for 2008 is due

to the increased risk FHA would experience under the proposed nationwide loan limitation. With larger loan sizes, the "equity cushion" (that is the difference between the home's value and the potential cost of a claim payment) would decrease, leading to potentially more costly claims for FHA.

This estimated subsidy rate of -1.35 percent assumes that the HECM loan program would not be subject to the risk-based pricing structure authorized by the bill and described below. CBO assumes that FHA would continue to charge fixed, up-front, and annual fees for all HECM borrowers, regardless of any specific evaluation of their individual risk of default. CBO estimates that implementing this legislation would result in additional offsetting collections of $370 million in 2008 and $2.1 billion over the 2008-2012 period, contingent on enactment of appropriation bills that would establish the authority to make HECM loan guarantees by specifying annual loan commitment levels.

Estimated Impact on Demand for Multifamily Loan Guarantees. GNMA is responsible for guaranteeing securities backed by pools of mortgages that are insured by the federal government. In exchange for a fee charged to lenders or issuers of the securities, GNMA guarantees the timely payments of scheduled principal and interest due on the pooled mortgages that back those securities. Because, under credit reform procedures, the value of the fees collected by GNMA is estimated to exceed the cost of loan defaults in each year, the Administration estimates that the GNMA MBS program will have a subsidy rate of -0.21 percent in 2008, resulting in the net collection of receipts to the federal government.

Currently GNMA does not securitize HECM loans; according to GNMA, however, securitization of those loans will begin in 2008 if the program has authority to operate beyond 2007. Under the bill, CBO estimates that in 2008 about 5 percent of the HECM loans would be included in GNMA's MBS program. We estimate that in subsequent years, 10 percent to 20 percent of the HECM loans would be securitized by GNMA. Thus, CBO estimates that those proposed changes to the HECM program would result in additional offsetting collections to GNMA, totaling about $40 million over the 2008-2012 period, assuming appropriation action to establish a dollar limitation for the GNMA securities program.

Higher Loan Limits for the Multifamily Program. Under the National Housing Act, FHA is authorized to insure private loans used to finance certain multifamily homes, subject to loan limitations specified in appropriation acts. Section 26 would increase the current limit on the value of individual loans that FHA can guarantee in certain high-cost areas of the country under 12 of its 20 multifamily loan guarantee programs. (High-cost housing markets are designated by FHA and include such cities as Boston, San Francisco, and Los Angeles.)

The maximum amount of a loan that FHA can guarantee for multifamily housing depends on the base loan levels established by FHA, which vary by type and size of housing within a project. For example, the base loan limit for each unit of a building with two-bedroom apartments without elevators is roughly $54,000. Currently, in regions designated by FHA as high-cost areas, the base loan limit can be increased by up to 170 percent. Thus, in a high-cost region, the loan limit for each unit in a building with two-bedroom apartments without elevators can be as high as $146,000 (that is, 270 percent of the base limit). Under H.R. 1852, FHA could increase the base loan limit by up to 215 percent in high-cost areas. (In this example, the loan limit for that two-bedroom apartment could be as high as $170,000.)

Estimated Impact on Demand for Multifamily Loan Guarantees. The Federal Credit Reform Act of 1990 requires an appropriation of the subsidy costs and administrative costs associated with loan guarantees and direct loans. The subsidy cost is the estimated long-term cost to the government of a loan guarantee or a direct loan, calculated on a net-present-value basis, excluding administrative costs. Under current law, FHA's guarantees of multifamily loans are estimated to result in net offsetting collections (that is, negative outlays) because the Administration estimates that guarantee fees collected on those mortgages will more than offset the costs of expected defaults, calculated on a present-value basis. For 2008, CBO estimates that the weighted average subsidy cost for the multifamily programs subject to the loan limit increases under this legislation is -1.9 percent. This estimate takes into account the prohibition on increases in certain premium fees in section 30 of this legislation. In addition, CBO estimates that, under current law, FHA will insure $4 billion to $5 billion in multifamily loans in 2008.

If FHA made more loan guarantees as a result of the higher cap on the value of loans in high-cost areas, the agency would record additional offsetting collections (which would be a reduction in discretionary spending). According to industry experts, the current loan limits constrain new construction and rehabilitation of multifamily housing. Based on information from FHA field offices and realtors in certain high-cost areas, CBO expects that, under H.R. 1852, FHA would insure an additional 35 to 45 loans a year for multifamily projects with a total face value of about $1 billion. We expect that the subsidy rate for those loans over the 2008-2012 period would be similar to the program's estimated rate of -1.9 percent for 2008 under H.R. 1852. Thus, CBO estimates that those additional loan guarantees would increase offsetting collections to FHA (and thus reduce outlays) by about $19 million annually over the 2008-2012 period.

Effects on GNMA's Subsidy Costs. Because most FHA multifamily loan guarantees are included in GNMA's MBS program, CBO estimates that raising the loan limit would result in additional GNMA collections of about $2 million a year over the 2008-2012 period. Those savings would affect discretionary spending because, like FHA, GNMA requires appropriation action to establish the total amount of its guarantees.

Raising Loan Limits for the Single-Family Program. Section 3 would raise FHA's loan limit—the dollar amount of a mortgage that FHA can insure—for its single-family program from 87 percent of the conforming loan amount to 100 percent of the conforming loan limit in certain geographic regions where the cost of housing is very high. Effectively, this would be a change from insuring loans of $362,790 today to insuring loans of up to $417,000 in certain parts of the country. In less expensive markets, the limit would be raised from 48 percent to 65 percent of the conforming loan limit, or a change from loan guarantees of up to $200,160 to loan guarantees of up to $271,050 under the bill.

CBO estimates that implementing this provision would increase loan volume by about 8 percent a year—about $4 billion annually in additional loan guarantees—over the next five years. This increase would stem mostly from increasing the limit in the less expensive housing markets. Despite this estimated increase in loan volume, CBO estimates that no additional offsetting collections would be realized because we expect the subsidy rate for the single-family program to be zero over the next five years. However, because most FHA single-family loan guarantees are included in GNMA's MBS program, CBO estimates that raising the loan limit would result in additional offsetting collections to GNMA of about $45 million over the 2008-2012 period. As mentioned earlier, GNMA requires appropriation action to establish its dollar limitation for the securities program, so those savings would be offsets to discretionary spending.

Limit on Increases in Fees for Mortgage Insurance. Currently, FHA has the authority to adjust fees for its mortgage insurance programs through administrative action. Section 30 would prohibit FHA from increasing fees unless the increase is required to maintain the estimated credit subsidy for the program at zero, but not less than zero. According to the Administration, annual fees for new loan guarantees for the apartment development and refinance programs will increase by about 16 basis points beginning in 2008. CBO estimates that those fee increases would affect about $2.6 billion in loan guarantees in 2008 and over $3 billion in loan guarantees annually in subsequent years. Furthermore, we estimate that those fee increases would increase offsetting collections for this program by $192 million over the 2008-2012 period. Thus, prohibiting those fee increases would result in a loss of $192 million in discretionary offsetting collections over the next five years.

Cost of Payment Incentives. Section 9 would authorize HUD to provide certain payment incentives to borrowers after three years of timely premium payments; after five years of timely premium payments, FHA would be required to provide payment incentives. Borrowers who have taken out zero downpayment loans or who are considered to be a higher risk of default would be eligible for some of those incentives, which include reductions in annual premiums and refunds of up-front premiums upon payment of the full mortgage. CBO estimates that the borrowers of about $7 billion in FHA-guaranteed mortgages made annually would eventually be eligible for certain payment incentives. Furthermore, we estimate that those payment incentives would increase the subsidy rate for the affected loan

guarantees by an average of 0.23 percent. Under the Federal Credit Reform Act of 1990, such costs require the appropriation of funds. CBO estimates that appropriations of about $16 million would be required annually over the 2008-2012 period. Section 29, which is discussed below, would authorize appropriations for any credit subsidy required for the single-family loan guarantee program.

Additional Authorizations of Appropriations. Section 29 of this legislation would authorize the appropriation of funds for various purposes in amounts that equal the net increase in negative credit subsidy for the FHA programs resulting from this legislation. Such appropriations would be used to provide credit subsidies for the single-family loan guarantee program (to the extent needed), funding for the housing counseling program, funding to support the improvement of FHA's technologies and processes, and funding for an affordable housing fund, which would provide grants to support affordable rental housing and affordable homeownership opportunities for low-income families. Those funds are not authorized to be appropriated each year unless HUD, by rule, determines that FHA premiums being charged that year are sufficient to comply with the Mutual Mortgage Insurance Fund's (MMIFs) capital ratio requirement and are also sufficient to ensure the safety and soundness of other FHA mortgage insurance funds.

Based on the amounts CBO estimates for the provisions affecting the HECM and multifamily programs, we estimate that about $2 billion would be authorized to be appropriated over the 2008-2012 period. We further estimate that, over the next five years, implementing these provisions would cost about $80 million for the credit subsidies associated with the payment incentives, $229 million for the housing counseling program, $119 million for FHA program support, and $1 billion for the affordable housing fund.

Risk-based Pricing and Flexible Downpayment Requirements. Currently, FHA's single-family loan guarantee program has a flat premium structure under which all borrowers pay the same up-front and annual fees, regardless of the borrower's individual risk of default. According to the FHA, the up-front fee in 2008 is expected to increase from 1.5 percent to 1.66 percent and the annual fee will rise from 0.5 percent to 0.55 percent. Furthermore, the Administration estimates that those fee increases will result in a subsidy rate of zero for the single-family program for 2008.

Under this legislation, FHA would have the authority to match the fees it charges with the borrowers' risk of default or the risk associated with a particular loan product, and to offer guarantees for loans with little or no downpayment. For certain borrowers and types of loan products, the up-front fee could be as high as 3 percent and the annual fee could be as high as 0.75 percent. CBO estimates that implementing this risk-based pricing proposal would result in a weighted subsidy rate that is about zero. Because the subsidy rate for 2008 is estimated to be zero under current law, CBO expects that FHA would charge rates under H.R. 1852 that would produce a similar result.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1852 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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