



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 24, 2010

H.R. 758 **Pediatric Research Consortia Establishment Act**

*As ordered reported by the House Committee on Energy and Commerce
on September 23, 2010*

SUMMARY

H.R. 758 would authorize the Director of the National Institutes of Health (NIH) to provide funding to plan, establish, and operate national consortia to conduct and coordinate research on pediatric health issues. CBO estimates that implementing H.R. 758 would cost \$168 million over the 2011-2015 period, assuming appropriation of the necessary amounts. Enacting H.R. 758 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 758 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 758 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars					2011-
	2011	2012	2013	2014	2015	2015

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	5	25	50	50	50	180
Estimated Outlays	4	20	44	50	50	168

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 758 will be enacted near the beginning of fiscal year 2011 and that the necessary amounts will be appropriated each year. The bill would authorize the Director of NIH to make grants to, or enter into contracts or cooperative agreements with entities to plan, establish and operate up to 20 consortia to conduct and coordinate research on pediatric health issues. The bill would limit payments to each consortium to \$2.5 million a year during the first five years of the program. Based on the experience of establishing consortia for the National Network for Transforming Clinical and Translational Research, the estimate assumes that about 10 consortia would receive funding in 2012 and 20 would receive funding in 2013 and subsequent years. Assuming the appropriation of the necessary amounts, CBO estimates that implementing H.R. 758 would cost \$4 million in fiscal year 2011 and \$168 million over the 2011-2015 period.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 758 contains no intergovernmental or private-sector mandates as defined in UMRA. Activities authorized in the bill would benefit public entities that plan, establish, and operate consortia that conduct pediatric research.

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