



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

November 18, 2014

**S. 2646  
Runaway and Homeless Youth and Trafficking Prevention Act**

*As ordered reported by the Senate Committee on the Judiciary  
on September 18, 2014*

S. 2646 would authorize the appropriation of \$168 million for each year from 2015 through 2019 for programs that provide services to runaway and homeless youth. CBO estimates that implementing the bill would cost \$20 million in 2015 and \$668 million over the 2015-2019 period, assuming the appropriation of the necessary amounts.

Enacting the bill would affect direct spending and revenues; therefore, pay-as-you-go procedures apply. However, CBO estimates that the net effect on the deficit of those changes would be insignificant.

S. 2646 would expand an existing intergovernmental mandate, as defined in the Unfunded Mandates Reform Act (UMRA), that requires state and local law enforcement agencies to share and update information about missing persons under the age of 21. CBO estimates that the costs for those agencies to comply with the additional reporting requirements would be small and well below the annual threshold for intergovernmental mandates established in UMRA (\$76 million in 2014, adjusted annually for inflation). The bill contains no private-sector mandates as defined in UMRA.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary effects of S. 2646 are shown in the following table. The costs of this legislation fall within budget functions 500 (education, training, employment, and social services) and 750 (administration of justice).

|   | By Fiscal Year, in Millions of Dollars |      |      |      |      | 2015-<br>2019 |
|---|--|------|------|------|------|---------------|
|   | 2015                                   | 2016 | 2017 | 2018 | 2019 |               |
| <b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION<sup>a</sup></b> |  |      |      |      |      |               |
| <b>Basic Center Program and Other Activities</b>                |  |      |      |      |      |               |
| Authorization Level   | 140                                    | 140  | 140  | 140  | 140  | 700           |
| Estimated Outlays   | 17                                     | 123  | 137  | 140  | 140  | 557           |
| <b>Sexual Abuse Prevention Program</b>                          |  |      |      |      |      |               |
| Authorization Level   | 25                                     | 25   | 25   | 25   | 25   | 125           |
| Estimated Outlays   | 1                                      | 22   | 25   | 25   | 25   | 98            |
| <b>Estimate of Youth Homelessness</b>                           |  |      |      |      |      |               |
| Authorization Level   | 2                                      | 2    | 2    | 2    | 2    | 10            |
| Estimated Outlays   | 1                                      | 2    | 2    | 2    | 2    | 9             |
| <b>Grantee Audits</b>   |  |      |      |      |      |               |
| Estimated Authorization Level                                   | *                                      | *    | *    | *    | *    | 2             |
| Estimated Outlays   | *                                      | *    | *    | *    | *    | 2             |
| <b>Department of Justice</b>                                    |  |      |      |      |      |               |
| Estimated Authorization Level                                   | 1                                      | *    | *    | *    | *    | 2             |
| Estimated Outlays   | 1                                      | *    | *    | *    | *    | 2             |
| <b>Total Changes</b>  |  |      |      |      |      |               |
| Estimated Authorization Level                                   | 168                                    | 167  | 167  | 167  | 167  | 839           |
| Estimated Outlays   | 20                                     | 147  | 164  | 167  | 167  | 668           |

Note: Components may not sum to totals because of rounding; \* = less than \$500,000.

a. Enacting the bill would increase revenues and direct spending, but the net annual effects on the deficit of those increases would be less than \$500,000 for every year between 2015 and 2024 and over the 2015-2024 period.

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 2646 will be enacted around the beginning of calendar year 2015 and that the estimated amounts will be appropriated for each fiscal year. Estimated outlays are based on historical spending patterns.

S. 2646 would authorize the appropriation of \$140 million annually over the 2015-2019 period for the Basic Center Program, the Transitional Living Program, and other purposes. Those programs provide services such as outreach, crisis intervention, and temporary and long-term shelter to runaway and homeless youth. In 2014, \$97 million was appropriated for those activities. CBO estimates that implementing those programs would cost

\$557 million over the 2015-2019 period, assuming appropriation of the authorized amounts.

The bill also would authorize the appropriation of \$25 million annually over the 2015-2019 period for a program to prevent sexual abuse of homeless street youth, including services such as treatment and counseling. For 2014, the Congress appropriated \$17 million for this program. CBO estimates that implementing this program would cost \$98 million over the 2015-2019 period, assuming appropriation of the authorized amounts.

Additionally, S. 2646 would require the Secretary of Health and Human Services (HHS) to report to the Congress on the numbers and characteristics of runaway and homeless youth once every five years. The bill would authorize the appropriation of \$2 million for each year from 2015 through 2019 for that report. CBO estimates that this provision would cost \$9 million over the 2015-2019 period, assuming appropriation of the authorized amounts.

The bill would require the HHS Inspector General to conduct audits of grant recipients each year and to report to the Congress on the audit findings. Based on information provided by HHS, we expect that it would take two full-time employees to carry out the audits required by the bill. CBO estimates that the audits and subsequent report would cost less than \$500,000 each year and would total about \$2 million over the 2015-2019 period, assuming the availability of appropriated funds.

Finally, S. 2646 would require the Department of Justice (DOJ) to improve current training programs for federal, state, and local law enforcement officers who are involved in combatting human trafficking and to prepare an annual report on the enforcement of sex trafficking laws by states. Based on the costs of similar activities, we estimate that those provisions would cost about \$1 million in fiscal year 2015 and less than \$500,000 each year thereafter, for a total cost of about \$2 million over the 2015-2019 period, assuming the availability of appropriated funds.

## **PAY-AS-YOU-GO CONSIDERATIONS**

The bill would direct federal courts to impose a \$5,000 assessment on non-indigent persons convicted of certain offenses involving sexual abuse or human trafficking. Collections of the assessments would be deposited as revenues into a new fund, the Domestic Trafficking Victims' Fund, and spent by DOJ (without further appropriation action) on programs to assist trafficking victims. CBO estimates that all additional revenues would be spent on programs for trafficking victims and, thus, enacting the bill would have no significant net effect on the deficit.

## **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

S. 2646 would expand an existing intergovernmental mandate, as defined in UMRA, that requires state and local law enforcement agencies to share and update information about missing persons under the age of 21. Under current law, those entities are required to report some information to a federal database. CBO estimates that the costs for state and local law enforcement agencies to comply with the additional reporting requirements would be small and well below the annual threshold for intergovernmental mandates established in UMRA (\$76 million in 2014, adjusted annually for inflation).

State and local governments would benefit from assistance authorized in the bill for investigating and prosecuting trafficking crimes and also for providing services to runaway and homeless youth and victims of trafficking. Any costs of participating in the block grant for those entities would be incurred voluntarily as a condition of participating in a federal program.

## **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

The bill contains no private-sector mandates as defined in UMRA.

### **ESTIMATE PREPARED BY:**

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Impact on State, Local, and Tribal Governments: J'nell Blanco Suchy

Impact on the Private Sector: Paige Piper/Bach

### **ESTIMATE APPROVED BY:**

Peter H. Fontaine

Assistant Director for Budget Analysis

November 18, 2014

Honorable Patrick J. Leahy  
Chairman  
Committee on the Judiciary  
United States Senate  
Washington, DC 20510

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for S. 2646, the Runaway and Homeless Youth and Trafficking Prevention Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Elizabeth Cove Delisle, who can be reached at 226-2820.

Sincerely,

Douglas W. Elmendorf

Enclosure

cc: Honorable Chuck Grassley  
Ranking Member