



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 2, 2016

### **H.R. 5169** **What Works to Move Welfare Recipients into Jobs Act**

*As ordered reported by the House Committee on Ways and Means  
on May 24, 2016*

#### **SUMMARY**

H.R. 5169 would change how the Department of Health and Human Services (HHS) conducts research and would require the Census Bureau to implement or enhance a household survey to assess the effect of continued welfare reform on families. CBO estimates that the requirements on the Secretary of HHS would be similar to those that already exist under current law; therefore, implementing those provisions would not affect discretionary spending by HHS. However, the legislation would require the Census Bureau to conduct activities that are not authorized under current law; CBO estimates that implementing those new requirements would cost the Census Bureau \$49 million over the 2017-2021 period, assuming appropriation of the necessary amounts.

Enacting this bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 5169 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 5169 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. States could initiate program evaluations authorized by the bill, and any costs tied to matching requirements would be conditions of assistance.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary effect of this legislation is shown in the following table. The costs of this legislation fall within budget function 370 (commerce and housing credit).

	By Fiscal Year, in Millions of Dollars					
	2017	2018	2019	2020	2021	2017-2021
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	10	10	10	10	10	50
Estimated Outlays	9	10	10	10	10	49

## **BASIS OF ESTIMATE**

CBO assumes that H.R. 5169 will be enacted near the start of fiscal year 2017, that the necessary amounts will be appropriated each year, and that spending will follow historical patterns for similar activities. H.R. 5169 would amend title IV of the Social Security Act to remove requirements that HHS assist states in developing innovative approaches to reducing welfare dependency and evaluate state performance with work programs and related areas. The bill would instead require HHS, in consultation with the Department of Labor, to establish a database to catalogue the different approaches used by states to help welfare recipients find work. CBO estimates that, in general, those new responsibilities would be similar to the welfare research HHS is currently required to conduct. Thus, CBO estimates that no additional funding would be required for HHS.

H.R. 5169 also would require the Census Bureau to conduct new activities not authorized under current law. Specifically, the legislation would require the Census Bureau to implement a new household survey or to enhance an existing one in order to assess the effects of welfare reform on the well-being of low-income families with children. In 2016, \$10 million was appropriated for the Census Bureau to conduct research related to welfare using the Survey of Income and Program Participation. CBO estimates that the Census Bureau would require the same level of funding annually to meet the requirements under this bill. Such spending would be subject to appropriation of the estimated amounts.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS**

CBO estimates that enacting H.R. 5169 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 5169 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. States could initiate program evaluations authorized by the bill, and any costs tied to matching requirements would be conditions of assistance.

### **ESTIMATE PREPARED BY:**

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