



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 6, 2017

H.R. 1214 **Disaster SAVE Act**

*As ordered reported by the House Committee on Transportation
and Infrastructure on February 28, 2017*

H.R. 1214 would require the Federal Emergency Management Agency (FEMA) to increase the threshold for what constitutes a small disaster relief project under the Public Assistance (PA) Grant Program. Under the bill, the definition of the cost of a small project would increase from \$123,000 to \$500,000. That increase would allow more projects to be designated as small. Small projects receive a larger share of their funding up-front relative to large projects; however, under H.R. 1214 the total amount of funding disbursed by FEMA would not change. The bill also would require FEMA to submit a report to the Congress on the cost-effectiveness of the PA program. Finally, the bill would expire on September 30, 2021, at which point FEMA could adjust the threshold through regulations.

Based on information provided by FEMA on the administrative costs associated with approving and managing PA grants and collecting information necessary to complete the report, CBO estimates that the cost to implement H.R. 1214 would not exceed \$500,000 in any year and over the 2018-2022 period; such spending would be subject to the availability of appropriated funds.

Enacting H.R. 1214 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 1214 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1214 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Robert Reese. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.