CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 4, 2015

H.R. 2820
Stem Cell Therapeutic and Research Reauthorization Act of 2015

As ordered reported by the Senate Committee on Health, Education, Labor, and Pensions on November 18, 2015

SUMMARY

H.R. 2820 would reauthorize the National Cord Blood Inventory program and the C.W. Bill Young Cell Transplantation program. Those programs support efforts to collect and store blood from umbilical cords and to conduct research and facilitate transplants of bone marrow and blood from umbilical cords. In 2015, about $33 million was appropriated for these purposes. The bill would also require the Secretary of Health and Human Services to provide the Congress with recommendations regarding the appropriateness of including new types of therapies in the transplantation program and to issue a determination with respect to including stems cells from peripheral blood and blood from umbilical cords in the definition of a human organ.

Over the 2016-2020 period the bill would authorize the appropriation of $23 million per year for the National Cord Blood Inventory program and $30 million per year for the C.W. Bill Young Cell Transplantation program. CBO estimates that implementing the bill would cost $220 million over the 2016-2020 period, assuming appropriation of the authorized amounts. Enacting H.R. 2820 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

CBO estimates that enacting H.R. 2820 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

H.R. 2820 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 effects of H.R. 2820 are shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars					
	2016	2017	2018	2019	2020	2016-2020
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	53	53	53	53	53	265
Estimated Outlays	16	49	51	52	52	220

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 2820 will be enacted in fiscal year 2016, that the Congress will appropriate the authorized amounts for each year, and that spending will follow historical patterns for the authorized programs.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 2820 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2820 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS COST ESTIMATES

On August 12, 2015, CBO transmitted a cost estimate for H.R. 2820, the Stem Cell Therapeutic and Reauthorization Act of 2015, as ordered reported by the House Committee on Energy and Commerce on July 29, 2015. The language for both versions of the legislation is similar and the estimated costs are the same. (The previous cost estimate assumed enactment by the start of fiscal year 2016.)

ESTIMATE PREPARED BY:

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