



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 4, 2017

H.R. 1679 **FEMA Accountability, Modernization and Transparency Act of 2017**

*As ordered reported by the Senate Committee on Homeland Security
and Governmental Affairs on July 26, 2017*

H.R. 1679 would require the Federal Emergency Management Agency (FEMA) to integrate three specific components into the agency's ongoing project to upgrade its grant management system. The act also would direct FEMA to implement the new system incrementally.

Under current law, FEMA is building a new information technology system that will streamline the application and approval process for more than 40 grants authorized under the Robert T. Stafford Disaster Relief and Emergency Assistance Act. The new system will integrate the grants into one grant-management system, as opposed to the nine systems FEMA is currently using. FEMA expects to begin building the new system in 2018 and expects that it that will cost \$105 million over a three-year period to build the system and \$15 million each year thereafter to maintain.

H.R. 1679 would direct FEMA to include in the new system:

- An online interface for applicants to complete grant application forms,
- Mechanisms to eliminate duplication of grant benefits, and
- The capability to share information among other federal agencies and levels of government.

Based on information provided by FEMA, CBO expects that the requirements outlined in H.R. 1679 will be met through the agency's current plans to upgrade its grants management system; therefore, CBO estimates that implementing H.R. 1679 would have no effect on the federal budget.

Enacting H.R. 1679 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting H.R. 1679 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 1679 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.

On May 2, 2017, CBO transmitted a cost estimate for H.R. 1679, the FEMA Accountability, Modernization and Transparency Act of 2017, as ordered reported by the House Committee on Transportation and Infrastructure on March 29, 2017. The two versions of the legislation are similar and CBO's estimates of their budgetary effects are the same.

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