

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 10, 2016

S. 1252 Global Food Security Act of 2016

As ordered reported by the House Committee on Foreign Affairs on May 18, 2016

SUMMARY

S. 1252 would require the President to develop and implement a comprehensive strategy to promote global food security and agricultural development. It would authorize the appropriation of almost \$3.8 billion each for 2017 and 2018 for programs to implement that strategy and to provide assistance following international disasters. Assuming appropriation of those specified amounts, CBO estimates that implementing S. 1252 would cost \$7.3 billion over the 2017-2021 period (most of the remainder would be spent after 2021).

Pay-as-you-go procedures do not apply to S. 1252 because enacting it would not affect direct spending or revenues. CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

S. 1252 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of S. 1252 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					
	2017	2018	2019	2020	2021	2017- 2021
INCREASES	IN SPENDING	SUBJECT '	TO APPROI	PRIATION		
The state of the s	3,795	3,795	*	*	*	7,590
Estimated Authorization Level				1,411		

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2017, that the authorized amounts will be appropriated each year, and that spending will follow historical patterns for similar and existing programs.

In 2010, the Administration launched a global food security initiative called Feed the Future (FTF). On the basis of information from the U.S. Agency for International Development (USAID)—the lead agency for that initiative—CBO believes that the act's requirements to develop and implement a comprehensive strategy for food security and agricultural development are being met through FTF. CBO estimates that the requirement for the Office of Management and Budget to provide detailed budget information to the Congress would cost less than \$500,000 over the 2017-2021 period; such spending would be subject to the availability of appropriated funds.

In 2016, about \$1 billion was appropriated for programs administered by USAID and the Department of State to implement FTF. The act would authorize the appropriation of the same amount in 2017 and 2018 for those programs. CBO estimates that implementing those programs in 2017 and 2018 would cost \$1.8 billion over the 2017-2021 period.

Section 7 of the act would authorize the appropriation of \$2.8 billion each year in 2017 and 2018 for humanitarian assistance, including emergency food assistance, following natural or manmade disasters. In 2016, that same amount was appropriated for programs in the International Disaster Assistance budget account. CBO estimates that implementing those programs would cost \$5.5 billion over the 2017-2021 period.

PAY-AS-YOU-GO CONSIDERATIONS: None

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting S. 1252 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

S. 1252 contains no intergovernmental or private-sector mandates as defined in UMRA

and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On March 24, 2016, CBO transmitted a cost estimate for S. 1252 as ordered reported by the Senate Committee on Foreign Relations on March 10, 2016. The two versions of the legislation are similar and CBO's estimates of the budgetary effects of implementing them

are the same.

ESTIMATE PREPARED BY:

Federal Costs: Sunita D'Monte

Impact on State, Local, and Tribal Governments: Jon Sperl

Impact on the Private Sector: Logan Smith

ESTIMATE APPROVED BY:

H. Samuel Papenfuss

Deputy Assistant Director for Budget Analysis

3