November 16, 2020

CBO’s Estimate of the Statutory Pay-As-You-Go Effects of H.R. 5953, the Preventing Disaster Revictimization Act, as Ordered Reported by the House Committee on Transportation and Infrastructure on February 26, 2020

	By Fiscal Year, Millions of Dollars										
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2021-2025	2021-2030
	Net Increase in the On-Budget Deficit											
Pay-As-You-Go Effects	4	0	0	-1	-1	-2	0	0	0	0	2	**0**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those procedures are shown here.

Staff Contacts: Jon Sperl

Estimates relative to CBO's March 2020 baseline; estimated budget authority equals outlays.

H.R. 5953 would require the Federal Emergency Management Agency (FEMA) to waive certain debts owed to the United States stemming from assistance improperly provided by the agency to an individual or household following a major disaster declared under the Stafford Act. Recouped amounts are deposited in the Disaster Relief Fund and subsequently spent, without appropriation, on recovery costs for future disasters. CBO estimates that about $36 million in improper payments that are in the process of being recouped would no longer be collected under H.R. 5953, increasing direct spending. However, because those amounts would have been available to FEMA for spending, fewer collections would reduce outlays. Because outlays lag recoveries, enacting the bill would increase outlays by $4 million in 2021 and $2 million over the 2021-2025 period but would result in no net effect on direct spending over 2021-2030 period.