

S. 3677, Post-Disaster Me As ordered reported by the Senate March 30, 2022		•	nmental Affairs on
By Fiscal Year, Millions of Dollars	2022	2022-2027	2022-2032
Direct Spending (Outlays)	0	1	3
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	1	3
Spending Subject to Appropriation (Outlays)	0	*	not estimated
Statutory pay-as-you-go orocedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year	< \$5 billion	Contains intergovernmental mandate? N o	
periods beginning in 2033?		Contains private-sector manda	te? No

S. 3677 would authorize the Federal Emergency Management Agency (FEMA) to cover the costs of crisis counseling for people affected by emergencies declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act when those services are paid for by local governments. Under current law, such federal assistance is only available in areas where the President has declared a major disaster under that act.

Emergencies are typically declared for events that are less severe than major disasters; accordingly, FEMA approves fewer types of assistance and usually awards smaller amounts for emergencies than for major disasters. Over the 2019-2021 period, the President declared 174 emergencies but in only one of those events did FEMA provide aid (about \$1 million) to individuals and households under the Individual Assistance (IA) Program. Over that same period, the President declared 227 major disasters, and for about half of those events, the agency provided a total of \$6.1 billion to individuals and households under the IA Program. As part of that assistance for major disasters, FEMA provided funding to state and local governments for counseling services, including about \$30 million in 2021.

For this estimate, CBO expects that FEMA would award counseling assistance for emergencies at roughly the same proportion, relative to the total amounts provided under the IA program, as it has for major disasters. On that basis, CBO estimates that, under S. 3677, FEMA would provide an additional \$3 million in crisis counseling assistance over the 2022-



CBO Cost Estimate

S. 3677, as ordered reported by the Senate Committee on Homeland Security and Governmental

2032 period, or about 1 percent of the \$300 million of such assistance that CBO projects the agency will provide for major disasters over the next decade.

Disaster assistance for programs authorized under the Stafford Act is paid from the agency's Disaster Relief Fund (DRF). Because S. 3677 would expand the use of previously appropriated balances from the DRF, some of which CBO estimates would not otherwise spend over the 2022-2032 period, the bill would increase direct spending. That increased spending would be offset by lower spending of the same amount in years after 2032.

In addition, CBO estimates that the agency would incur administrative costs to provide more counseling assistance to state and local governments. CBO estimates that those costs would total less than \$500,000; any spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Jon Sperl. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.