



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 6, 2002

S. 2664

First Responder Terrorism Preparedness Act of 2002

*As ordered reported by the Senate Committee on Environment and Public Works
on June 27, 2002*

SUMMARY

S. 2664 would authorize grants to states to help first responders prepare for terrorist incidents, authorize grants to urban search and rescue task forces, require the President to provide public education and conduct ongoing studies of harmful substances at disaster sites, and establish an Office of National Preparedness within the Federal Emergency Management Agency (FEMA).

Assuming appropriation of the necessary amounts, CBO estimates that implementing S. 2664 would cost about \$12.3 billion over the 2003-2007 period. S. 2664 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 2664 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would authorize grants for state, local, and tribal governments to support their activities as first responders to terrorist attacks.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2664 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	3,504	3,504	3,508	3,508	12
Estimated Outlays	1,577	2,454	2,981	3,333	1,935

BASIS OF ESTIMATE

S. 2664 includes four major provisions: grants for first responders, grants for urban search and rescue task forces, a program to monitor harmful substances at disaster sites, and the establishment of an Office of National Preparedness.

For this estimate, CBO assumes S. 2664 will be enacted near the beginning of fiscal year 2003 and that the specified and estimated authorization levels for implementing the bill will be appropriated for each year. Estimates of outlays are based on information from FEMA, the Agency for Toxic Substances and Disease Registry (ATSDR), and historical spending patterns of similar programs.

Grants for First Responders

S. 2664 would authorize FEMA to provide grants to states to help first responders prepare for terrorist incidents. First responders include fire, emergency medical service, and law enforcement personnel. For those grants, the bill would authorize the appropriation of \$13.7 billion over the 2003-2006 period. CBO estimates that amount would be spent over the 2003-2008 period.

Grants for Urban Search and Rescue Task Forces

S. 2664 would authorize FEMA to provide grants to urban search and rescue task forces to cover their operating expenses. These task forces locate, rescue, and provide initial medical service to victims trapped in confined spaces. For those grants, the bill would authorize the appropriation of \$286 million over the 2003-2006 period, and CBO estimates that this total would be spent over the 2003-2008 period.

Response to Harmful Substances

S. 2664 would require the President to establish a new program to provide public education and conduct ongoing studies of substances harmful to human health that are present at disaster sites. Based on information from FEMA and ATSDR, CBO estimates that implementing the provisions in this bill would cost about \$30 million over the 2003-2007 period.

Under this bill, CBO assumes that FEMA would work cooperatively with ATSDR to conduct long-term epidemiological studies in certain disaster areas. According to the ATSDR, each long-term study conducted under this bill would cost \$3 million to \$5 million a year and could last from 5 to 15 years. CBO cannot predict the number of such studies that might be required in the future. For this estimate, we assume that one new study would be initiated every other year at an average cost of \$4 million per year.

Office of National Preparedness

S. 2664 would establish an office within FEMA to develop standards, write guidelines, and provide assistance to state, tribal, and local governments related to terrorist incidents. FEMA's existing Office of National Preparedness currently addresses terrorism, and CBO estimates that implementing this provision would not significantly affect the federal budget.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2664 contains no intergovernmental or private-sector mandates as defined in UMRA and would authorize grants for state, local, and tribal governments to support their activities as first responders to terrorist attacks.

PREVIOUS ESTIMATE

On December 6, 2001, CBO transmitted a cost estimate for S. 1621, a bill to amend the Robert T. Stafford Disaster Relief and Emergency Assistance Act to authorize the President to carry out a program for the protection of the health and safety of community members,

volunteers, and workers in a disaster area, as ordered reported by the Senate Committee on Environment and Public Works on November 8, 2001. That bill is very similar to the provisions in S. 2664 related to monitoring harmful substances at disaster sites, and the cost estimates for those provisions are the same.

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