



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

January 8, 2002

**S. 1729  
Post Terrorism Mental Health Improvement Act**

*As passed by the Senate on December 12, 2001*

**SUMMARY**

The Post Terrorism Mental Health Improvement Act would amend the Public Health Service Act to authorize the Secretary of Health and Human Services to engage in a number of activities to improve resources pertaining to mental health needs in the immediate aftermath of a disaster. The act would provide grants to enable state and local governments and other public entities to respond to the long-term mental health needs arising from the terrorist attacks of September 11, 2001. It also would require establishment of a mental health disaster response clearinghouse, development of coordinated response plans to respond to the mental health needs that arise from a disaster, and specialized training of mental health professionals with regard to the treatment of victims of disaster.

Assuming the appropriation of the necessary amounts, and including adjustments for anticipated inflation, CBO estimates that implementing S. 1729 would cost \$8 million in 2002 and \$140 million over the 2002-2006 period. (Without inflation adjustments, the five-year total would be \$137 million.) The act would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

S. 1729 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The legislation would expand authorized uses for certain mental health grants, including specific grants to governments in areas where individuals have been directly affected by the terrorist attacks of September 11. It also would reauthorize grants for stress programs related to violence. Any costs associated with receiving or using these grants would be incurred voluntarily.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1729 is shown in the following table. For this estimate, CBO assumes that S. 1729 will be enacted early in 2002 and that the necessary amounts will be appropriated each year. The costs of this legislation would fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars				
	2002	2003	2004	2005	2006
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
<b>With Adjustments for Inflation</b>					
Estimated Authorization Level	40	34	38	36	0
Estimated Outlays	8	36	39	36	21
<b>Without Adjustments for Inflation</b>					
Estimated Authorization Level	40	34	37	34	0
Estimated Outlays	8	36	38	35	20

## BASIS OF ESTIMATE

CBO estimates that authorization of the necessary amounts to carry out the act would total \$40 million in 2002 and \$149 million over the 2002-2006 period. Based on spending patterns for similar programs, CBO estimates that outlays for these programs would total \$8 million in 2002 and \$140 million over the 2002-2006 period.

S. 1729 would provide for grants for the specialized training of mental health professionals in the treatment of disaster victims, assist in the development of coordinated response plans to assist states and private organizations in responding to the mental health needs that arise from disaster and require the establishment of a mental health disaster response clearinghouse. Based on discussions with committee staff and the Substance Abuse and Mental Health Services Administration (SAMHSA), CBO assumes that \$20 million in 2002 dollars would be appropriated to implement these provisions in each year through 2004. CBO estimates that outlays from these grants would total \$78 million over the 2002-2006 period.

The act also would provide for grants to enable state and local governments and other public entities to respond to the long-term mental health needs arising from the terrorist attacks of September 11, 2001. To be eligible for grants, the state or local government or other

public entity should be located in an area directly affected by the terrorist attacks of September 11, 2001. The Secretary would have discretion to define an affected area. SAMHSA received an initial allocation of \$28 million in emergency funding in the immediate aftermath of the September 11 attacks which is providing treatment for individuals affected by the attacks in a number of eastern states, including New York, Connecticut, Pennsylvania, New Jersey, Maryland, Virginia, and the District of Columbia. Based on discussions with SAMHSA, CBO assumes that demand for mental health services related to the September attacks will decline over time. Assuming appropriation of the necessary amounts, CBO estimates that outlays from these grants would total \$44 million over the 2002-2006 period.

The act also would authorize an additional two years of funding under section 582(f) of the Public Health Service Act, which provides grants to address the problems of persons who experience violence related stress. While this program was authorized at \$50 million in 2001 and such sums as necessary in fiscal years 2002 and 2003, the appropriated amount in 2001 was \$10 million, as was the 2002 budget request. Based on this experience, CBO assumes \$10 million would be appropriated in 2004 and \$11 million in 2005. CBO estimates that outlays from these grants would total \$19 million over the 2002-2006 period.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 1729 contains no intergovernmental or private-sector mandates as defined in UMRA. The act would expand authorized uses for certain mental health grants, including specific grants to governments in areas where individuals have been directly affected by the terrorist attacks of September 11. It also would reauthorize grants for stress programs related to violence. Any costs associated with receiving or using these grants would be incurred voluntarily.

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