

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 3, 2009

S. 713 FEMA Accountability Act of 2009

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on April 1, 2009

CBO estimates that implementing S. 713 would have no significant net cost over the next 10 years. Enacting this legislation would not affect direct spending or revenues.

- S. 713 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.
- S. 713 would direct the Federal Emergency Management Agency (FEMA) to develop and implement a plan to dispose of temporary housing units (for example, mobile homes and travel trailers) that the agency determines to be unusable or in excess of current or future needs. CBO estimates that developing such a plan would cost less than \$500,000 in 2009 and 2010, assuming the availability of appropriated funds.

Under current law, FEMA disposes of excess housing units through the General Services Administration. Units are first offered for sale to current occupants. Thereafter, units may be sold to the general public or donated to state and local governments for the purposes of providing temporary housing to victims of a disaster. Proceeds may be retained by FEMA to cover sale costs or to purchase similar property. Otherwise, funds are deposited into the Treasury as miscellaneous receipts. CBO cannot predict whether any additional units would be sold or otherwise disposed of as a result of this legislation; however, we expect that the net budgetary effect of any action would likely be insignificant.

The CBO staff contact for this estimate is Daniel Hoople. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.