



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 13, 2009

H.R. 1170

A bill to amend chapter 21 of title 38, United States Code, to establish a grant program to encourage the development of new assistive technologies for specially adapted housing

*As ordered reported by the House Committee on Veterans' Affairs
on May 6, 2009*

H.R. 1170 would create a grant program to foster the development of technologies to improve specially adapted housing and would authorize the appropriation of up to \$2 million per year over the next five years for that purpose. Such technologies would be those that could be used to alter or construct housing to be more functional and accessible for veterans with certain service-connected disabilities. CBO estimates that implementing the bill would cost \$6 million over the 2010-2014 period, assuming appropriation of the necessary amounts. Enacting the bill would have an insignificant effect on direct spending and would have no effect on revenues.

CBO estimates that the Department of Veterans Affairs (VA) would award approximately \$1 million in grants in 2010 and \$8 million over the 2010-2014 period. Based on outlay rates for similar federal programs that provide research grants, CBO estimates that spending would total less than \$500,000 in 2010; we estimate that annual spending would rise to \$1 million in 2011 and \$2 million by 2014.

If grant recipients obtained a patent for the technology developed under this grant, VA would retain at least a 30 percent interest in the patent. Based on the size of individual grants—up to \$200,000—and the length of time required to develop products and to complete the patent process, CBO estimates that any offsetting receipts the government might receive (from profits earned on technologies developed under this program) would be quite small and the impact on direct spending would be insignificant.

H.R. 1170 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.

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