



Legislative Bulletin.....March 2, 2006

Contents:

S. 1777 – Katrina Emergency Assistance Act of 2005 –as amended

Summary of the Bill Under Consideration Today:

Total Number of New Government Programs: 0

Total Cost of Discretionary Authorizations: See cost estimate below

Effect on Revenue: \$0

Total Change in Mandatory Spending: \$0

Total New State & Local Government Mandates: n/a

Total New Private Sector Mandates: n/a

Number of Bills Without Committee Reports: 1

Number of Reported Bills that Don't Cite Specific Clauses of Constitutional Authority: 0

**S. 1777 – Katrina Emergency Assistance Act of 2005 — as amended
(Senator Collins, R-ME)**

Order of Business: The bill, as amended, is scheduled for consideration on Thursday, March 2, 2006, under a unanimous consent agreement that includes one hour of general debate, no amendments, and one motion to recommit without instructions.

Summary: S. 1777, as amended, would extend unemployment assistance to Hurricane Katrina and Rita victims for an additional 13 weeks. The assistance is paid out of FEMA's disaster relief fund, which under current law, has eligibility for disaster unemployment assistance (DUA) expiring at 26 weeks after the declared emergency (42 U.S.C. 5177(a)). According to CBO, S. 1777 as amended is expected to result in \$250 million being spent (outlayed) from the U.S. Treasury this year. DUA funds are not available to people covered by other unemployment compensation programs.

The text of the bill up today reads:

“Notwithstanding any other provision of law, in the case of an individual eligible to receive unemployment assistance under section 410(a) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C.5177(a)) as a result of a disaster declaration made for Hurricane Katrina or Hurricane Rita on or after August 29, 2005, the President shall make such assistance available for 39 weeks after the date of the disaster declaration.”

Administration Information: The Administration reportedly has not officially requested this extension.

Committee Action: S. 1777 passed the Senate with an amendment by unanimous consent on February 15, 2006. On the same day, the bill was received in the House and referred to the Committee on Transportation and Infrastructure and to the Committee on the Judiciary, neither of which took any official action. The bill on the House floor today is a completely new substitute.

Cost to Taxpayers: According to CBO, it is expected that FEMA would pay for the cost incurred in this bill with funds already provided by two supplemental appropriation acts enacted after Hurricane Katrina (Public Laws 109-61 and 109-62). According to CBO, the funds appropriated to FEMA for the Gulf disaster unemployment assistance were not all going to be spent by FEMA on the DUA, if it expired as expected after 26 weeks. According to CBO, by extending DUA for an additional 13 weeks, S. 1777, as amended, is expected to result in \$250 million being spent (outlayed) from the U.S. Treasury. In short, the account already has appropriated funds in it, so this will not result in any new appropriations, though historically, unspent funds are often rescinded by Congress and result in savings elsewhere. Therefore, this bill, from a budget perspective, results in no new authorized appropriations, though it allows government spending (perhaps as much as \$250 million), which may otherwise not have been spent.

Does the Bill Expand the Size and Scope of the Federal Government?: The bill extends dependency on federal FEMA unemployment checks for an additional 13 weeks.

Does the Bill Contain Any New State-Government, Local-Government, or Private-Sector Mandates?: Section 4 of the Unfunded Mandates Reform Act (UMRA) excludes from the application of that Act legislative provisions that provide for emergency assistance or relief. CBO has determined that the provisions of S. 1777 would fall within that exclusion and has not reviewed the bill for intergovernmental or private-sector mandates.

Constitutional Authority: A committee report citing authority is unavailable.

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