



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 6, 2006

S. 2320

A bill to make available funds included in the Deficit Reduction Act of 2005 for the Low-Income Home Energy Assistance Program for fiscal year 2006, and for other purposes

As introduced in the Senate on February 16, 2006

SUMMARY

S. 2320 would amend section 9001 of the Deficit Reduction Act of 2005 by making the \$1.0 billion appropriated for the Low-Income Home Energy Assistance Program (LIHEAP) available in 2006 rather than 2007. The bill would increase direct spending in 2006 by \$750 million, but have no net budgetary effect over the 2006-2009 period as a whole.

S. 2320 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit state and tribal governments by making federal funds available a year early.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2320 is shown in the following table. The costs of this legislation fall within budget function 600 (income security).

BASIS OF ESTIMATE

Under current law, CBO expects that the entire \$1.0 billion in LIHEAP funding appropriated for 2007 would be obligated in 2007 and spent over a three-year period, resulting in outlays of \$750 million in 2007, \$230 million in 2008, and \$20 million in 2009. Enacting S. 2320 would accelerate the spending of these same amounts to the 2006-2008 period.

	By Fiscal Year, in Millions of Dollars					
	2006	2007	2008	2009	2010	2011
DIRECT SPENDING						
Spending Under Current Law						
Budget Authority	0	1,000	0	0	0	0
Estimated Outlays	0	750	230	20	0	0
Proposed Changes						
Budget Authority	1,000	-1,000	0	0	0	0
Estimated Outlays	750	-520	-210	-20	0	0
Spending Under S. 2320						
Budget Authority	1,000	0	0	0	0	0
Estimated Outlays	750	230	20	0	0	0

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2320 contains no intergovernmental or private-sector mandates as defined in UMRA and would benefit state and tribal governments by making federal funds available a year early.

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