



BUDGET WEEK

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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Summarizing budgetary issues in legislation
scheduled for the House floor

11 March 2003

Week of 10 March 2003

SUSPENSION CALENDAR

- 1) ***Recognizing the Bicentennial of the Admission of Ohio in to the Union and the Contributions of Ohio Residents to the Economic, Social, and Cultural Development of the United States*** (H.Res. 122). 
This resolution has no budget implications.
- 2) ***Expressing the Sense of the House of Representatives with Regard to the Need for Improved Fire Safety in Nonresidential Buildings in the Aftermath of the Tragic Fire on February 20, 2003, at a Nightclub in West Warwick, Rhode Island*** (H.Con.Res. 85). 
This resolution has no budget implications.
- 3) ***To Amend Public Law 107-10 to Authorize a United States Plan to Endorse and Obtain Observer Status for Taiwan at the Annual Summit of the World Health Assembly in May 2003 in Geneva, Switzerland*** (H.R. 441). 
This bill would result in no additional mandatory costs to the Federal Government. The bill does not increase direct spending – spending not controlled by annual appropriations – or reduce revenue.
- 4) ***Commemorating the 60th Anniversary of the Historic Rescue of 50,000 Bulgarian Jews From the Holocaust and Commending the Bulgarian People for Preserving and Continuing Their Tradition of Ethnic and Religious Tolerance*** (H.Con.Res. 77). 
This resolution has no budget implications.
- 5) ***Designating the Room Numbered H-236 in the House of Representatives Wing of the Capitol as the "Richard K. Arme y Room."*** (H.Res. 19) 
This resolution has no budget implications.
- 6) ***Hospital Mortgage Insurance Act of 2003*** (H.R. 659). 
Under the National Housing Act, the Federal Housing Administration [FHA] offers to insure private loans used to finance the modernization and rehabilitation of certain hospital facilities. To qualify for such insurance, a hospital must obtain a certificate of need issued from a designated State agency. If a State has no certificate process in place, the State must commission or conduct an independent feasibility study in place of the certificate. Twenty-four States currently do not

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PLEASE NOTE: This document addresses budgetary issues only. It should not be taken to address support or opposition on any other grounds. A green flag indicates no serious budgetary or budget compliance concerns. A yellow flag indicates moderate or potential problems. A red flag indicates serious problems. *Also note: Floor schedules and legislative details are subject to change after publication.*

This document was prepared by the majority staff of the Committee on the Budget, U.S. House of Representatives. It has not been approved by the full committee and therefore may not reflect the views of all the committee's members.

have a certificate process. Many of these States do not have the fiscal and managerial means to support a feasibility study on their own. This bill gives the Department of Housing and Urban Development the authority to establish a process for determining the need and feasibility for a hospital's proposed project, thus eliminating the requirement for States to provide a feasibility study where no certificate procedure exists. To the extent additional hospitals would obtain loan insurance under this bill, the Congressional Budget Office [CBO] estimates that the FHA could earn additional offsetting collections (which are recorded as a reduction in discretionary spending). FHA guarantees of hospital mortgages result in net offsetting collections to the federal government because the guarantee fees for new mortgages more than offset the costs of defaults, resulting in net collections from the loan guarantee program. The bill does not increase direct spending or reduce revenue.

7) ***Automatic Defibrillation in Adam's Memory Act*** (H.R. 389). 

This bill would allow existing funds to be spent to establish an information clearinghouse to increase access to defibrillation in schools. The bill does not increase direct spending or reduce revenue.

8) ***Organ Donation Improvement Act*** (H.R. 399). 

This bill amends the Public Health Service Act to authorize the Secretary of Health and Human Services to award grants or contracts to States, transplant centers, qualified organ procurement organizations, or other public or private entities for the purpose of providing payment for travel and subsistence expenses, as well as incidental nonmedical expenses. Assuming appropriation of authorized amounts, implementing H.R. 399 would cost \$6 million in 2004 and a total of \$79 million from 2004 through 2008. The bill does not increase direct spending or reduce revenue.

9) ***Mosquito Abatement for Safety and Health Act*** (H.R. 342). 

This bill authorizes grants through the Centers for Disease Control and Prevention [CDC] for mosquito control programs to prevent mosquito-borne diseases, and for other purposes. The bill authorizes appropriations of \$100 million in fiscal year 2003 and such sums as may be necessary for fiscal years 2004 through 2007. The bill does not increase direct spending or reduce revenue.

10) ***Birth Defects and Development Disabilities Prevention Act*** (H.R. 398). 

This bill revises and extends the Birth Defects Prevention Act of 1998 to expand and adjust research and reporting requirements. Assuming appropriation of the necessary amounts, the bill would cost \$29 million in 2004 and \$350 million over the 2004-2008 period. The bill does not increase direct spending or reduce revenue.

11) ***Patient Safety and Quality Improvement Act*** (H.R. 663). 

This bill amends the Public Health Act to include certain definitions, create privilege information status for patient safety work product, and establish civil penalties on providers who violate the privileged status. The bill would cost \$20 million in 2004 and \$104 million over the 2004-2008 period, assuming appropriation of the necessary amounts. If enacted, the bill could increase revenue by less than \$500,000 a year from the collection of fines for violation of the privacy protections. Because the revenue from fines would first have a revenue effect in fiscal year 2004, this would cause a violation of Section 303 of the Congressional Budget Act, which prohibits bills that first increase or decrease revenue in a year for which a resolution has yet to be passed. No budget resolution is yet in place for fiscal year 2004.

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LEGISLATION CONSIDERED UNDER A RULE

Bill: *The Help Efficient, Accessible, Low-Cost, Timely Healthcare [HEALTH] Act* (H.R. 5) 

Committee: Judiciary

Summary: This bill makes changes to the health care liability system, including compensation for injured patients and other issues arising out of health care lawsuits. It requires a suit to be brought at one of two times, whichever comes first: 1) within 3 years of the date of injury, or 2) 1 year after the claimant discovers, or should have discovered, the injury. The bill establishes requirements and permissible recovery amounts for compensating patient injury and permits the introduction of evidence of collateral source benefits. It limits the availability of punitive damages, and contingency fees, by prohibiting the award of punitive damages for products that comply with Food and Drug Administration standards, absent a manufacturer, distributor or supplier's noncompliance with a specific requirement of the Federal Food, Drug and Cosmetic Act. It excludes from requirements of the Act suits for vaccine-related death or injury, if otherwise covered under the National Vaccine Injury Compensation Program.

Cost: At the time of publication, a cost estimate was not available. CBO's preliminary estimate, however, is that implementing H.R. 5 would have a significant impact on direct spending (a decrease of greater than \$500,000 a year). CBO also believes that enacting this legislation will reduce overall liability costs, particularly malpractice insurance costs, to insurers, and that the reduction in insurer costs will result in a savings for Federal health care programs.

Budget Act: The legislation is not expected to violate the Congressional Budget Act.