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KEEP KIDS' INSURANCE DEPENDABLE AND SECURE ACT OF 2017

DECEMBER 20, 2017.—Ordered to be printed

Mr. HATCH, from the Committee on Finance, submitted the following

R E P O R T

[To accompany S. 1827]

[Including cost estimate of the Congressional Budget Office]

The Committee on Finance, to which was referred the bill (S. 1827) to extend funding for the Children's Health Insurance Program, and for other purposes, having considered the same, reports favorably thereon with an amendment in the nature of a substitute and recommends that the bill, as amended, do pass.

CONTENTS

I. LEGISLATIVE BACKGROUND

The Committee on Finance, having considered S. 1827, a bill that would amend titles XI, XIX, and XXI of the Social Security Act to extend funding for the Children's Health Insurance Program and otherwise revise related provisions, reports favorably thereon and recommends that the bill do pass.

Background and need for legislative action

The Children's Health Insurance Program (CHIP) is a means-tested program that provides health coverage to targeted low-in-

come children and pregnant women in families that have annual income above Medicaid eligibility levels but have no health insurance. CHIP is jointly financed by the federal government and the states, and the states are responsible for administering CHIP.

Funding for CHIP has been reauthorized at four different times since its creation in 1997. Most recently, the Medicare Access and CHIP Reauthorization Act of 2015 provided a two year reauthorization. In statute, FY2017 is the last year a federal CHIP appropriation is provided. While some funds may continue to be spent, new funding for FY2018 expired on September 30, 2017.

The Keeping Kids' Insurance Dependable and Secure (KIDS) Act of 2017 incorporates funding and policy reauthorizations for a five year continuation of CHIP. On September 7, 2017, the Senate Finance Committee conducted a legislative hearing on reauthorizing funding for CHIP. Subsequently, on October 4, 2017, the Senate Finance Committee held an executive session to pass a funding extension of CHIP out of the Committee for consideration by the full Senate.

The KIDS Act (S. 1827) would extend federal CHIP funding through FY2022 and continue the increased enhanced federal medical assistance percentage (E–FMAP) in current law for two years (i.e., through FY2019) and with a phased-down 11.5 percentage point increase in 2020. The bill also includes extensions of other CHIP provisions (e.g., the Express Lane eligibility option and the maintenance of effort [MOE] for children in families with incomes below 300% of the federal poverty level [FPL]) and other programs and demonstrations (e.g., the Child Obesity Demonstration Project and the Pediatric Quality Measures Program).

II. EXPLANATION OF THE BILL

A. Amends Titles XI, XIX, and XXI of the Social Security Act To Extend Funding for the Children's Health Insurance Program, and for Other Purposes

SECTION 1: SHORT TITLE

Present law

None.

Explanation of committee bill provision

Establishes the title of the Act as the "Keep Kids' Insurance Dependable and Secure Act of 2017" or the "KIDS Act of 2017."

SECTION 2: FIVE-YEAR FUNDING EXTENSION OF THE CHILDREN'S HEALTH INSURANCE PROGRAM

Present law

The Children's Health Insurance Program (CHIP) is currently funded through FY2017 with appropriated amounts specified in statute. Since CHIP was first established in 1997, it has been funded through subsequent legislation. For instance, the Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA; P.L. 111–3) provided federal CHIP funding for FY2009 through FY2013, the Patient Protection and Affordable Care Act (ACA; P.L. 111–148, as amended) provided federal CHIP funding for FY2014

and FY2015, and the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA, P.L. 114–10) provided funding for FY2016 and FY2017.

For FY2016 and FY2017, the annual appropriation amounts were $19.3 billion and $20.4 billion, respectively. The FY2017 appropriation was the combination of semiannual appropriations of $2.85 billion from Section 2104(a) of the Social Security Act (SSA) plus a one-time appropriation of $14.7 billion from MACRA Section 301(b)(3), which was provided for the first six months of the fiscal year and remain available until expended. The federal government reimburses states for a portion of every dollar they spend on CHIP, up to state-specific annual limits called allotments. Allotments are the federal funds allocated to each state for the federal share of its CHIP expenditures. State CHIP allotment funds are provided annually, and the funds are available to states for two years. Under current law, FY2017 is the last year CHIP allotments are authorized. There are two formulas for determining state allotments: an even-year formula and an odd-year formula.

In even years, such as FY2016, state CHIP allotments are based on each state's federal allotment for the prior year plus any Child Enrollment Contingency Fund payments from the previous year, adjusted for growth in per capita National Health Expenditures and child population in the state (i.e., the allotment growth factor).

In odd years, state CHIP allotments are based on each state's spending for the prior year (including federal CHIP payments from the state CHIP allotment, Child Enrollment Contingency Fund payments, and redistribution funds). This figure is adjusted using the same growth factor as the even-year formula (i.e., growth in per capita National Health Expenditures and child population in the state). Because the odd-year formula is based on states' actual use of CHIP funds, it is called the "rebasing year," and a state's CHIP allotment can either increase or decrease depending on that state's CHIP expenditures in the previous year.

CHIPRA established the Child Enrollment Contingency Fund to provide shortfall funding to eligible states. It was funded with an initial deposit equal to 20% of the appropriated amount for FY2009 (i.e., $2.1 billion). In addition, for FY2010 through FY2017, such sums as are necessary for making Child Enrollment Contingency Fund payments to eligible states are to be deposited into this fund, but these transfers cannot exceed 20% of the appropriated amount for the fiscal year or period.

For FY2009 through FY2017, states with a funding shortfall and CHIP enrollment for children exceeding a state-specific target level shall receive a payment from the Child Enrollment Contingency Fund. This payment will be equal to the amount by which the enrollment exceeds the target, multiplied by the product of projected per capita expenditures and the enhanced federal medical assistance percentage (E–FMAP).

Certain states expanded Medicaid eligibility for children prior to the enactment of CHIP in 1997. Under the qualifying state option, these states are allowed to use their CHIP allotment funds to finance the difference between the Medicaid and CHIP matching rates (i.e., federal medical assistance percentage [FMAP] and E–FMAP rates, respectively) for the cost of children in Medicaid in families with income above 133% of the federal poverty level (FPL).

The following 11 states meet the definition: Connecticut, Hawaii, Maryland, Minnesota, New Hampshire, New Mexico, Rhode Island, Tennessee, Vermont, Washington, and Wisconsin. Under current law, FY2017 is the last year in which the qualifying state option was authorized.

CHIPRA also created a state plan option for "Express Lane" eligibility through September 30, 2013. Under this option, in order to ease administrative burden, states are permitted to rely on a finding from specified "Express Lane" agencies (e.g., those that administer programs such as Temporary Assistance for Needy Families, Medicaid, CHIP, and the Supplemental Nutrition Assistance Program) for determinations of initial eligibility for Medicaid or CHIP, eligibility redeterminations for Medicaid or CHIP, or renewal of eligibility coverage under Medicaid or CHIP. This provision was extended through subsequent legislation and most recently in MACRA. Under current law, authority for "Express Lane" eligibility determinations extends through September 30, 2017.

Eligibility for Medicaid and CHIP is determined by both federal and state law, whereby states set individual eligibility criteria within federal standards. Under existing maintenance of effort (MOE) provisions, states are required to maintain their Medicaid programs with the same eligibility standards, methodologies, and procedures in place as of March 23, 2010 through September 30, 2019, for children up to the age of 19. States are also required to maintain income eligibility levels for CHIP children through September 30, 2019, as a condition for receiving payments under Medicaid.

Explanation of committee bill provision

Section 2 would extend federal CHIP funding for five years by adding federal appropriations for FY2018 through FY2022 under SSA Section 2104(a). The funding amounts would be:

- $21.5 billion for FY2018,
- $22.6 billion for FY2019,
- $23.7 billion for FY2020,
- $24.8 billion for FY2021, and
- $25.9 billion for FY2022.

The funding for FY2022 would be structured as it was for FY2017, with semiannual appropriations of $2.85 billion plus a one-time appropriation in the amount of $20.2 billion, which would be provided for the first six months of the fiscal year and remain available until expended.

This section would authorize CHIP allotments for FY2018 through FY2022 under SSA Section 2104(m), maintaining the allotment formulas for odd- and even-year allotments. It would structure the federal CHIP funding for FY2022 under SSA Section 2104(m)(10) the same as it was structured for FY2015 and FY2017. For FY2022, funding for the first half of the year would be available from SSA Section 2104(a)(25)(A), and from a one-time appropriation continued consistent with current law. Funding for the second half of the year would be provided in SSA Section 2104(a)(25)(B).

The full-year amount for state allotments would be determined according to the even-year formula for CHIP allotments, which means each state's allotment would equal the allotment for the

prior year plus any Child Enrollment Contingency Fund payments from the previous year, multiplied by the allotment increase factor.

This section would extend the funding mechanism for the Child Enrollment Contingency Fund under SSA Section 2104(n) and payments from the fund, the qualifying state option under SSA Section 2105(g)(4), and authority for Express Lane eligibility determinations under SSA Section 1902(e)(13)(I) through FY2022.

This section would extend the Medicaid (SSA Section 1902(gg)(2)) and CHIP (SSA Section 2105(d)(3)) MOE requirements for children in families with annual income less than 300% of the federal poverty level for three years from October 1, 2019 through September 30, 2022.

SECTION 3: EXTENSION OF CERTAIN PROGRAMS AND DEMONSTRATION PROJECTS

Present law

SSA Section 1139A(e), as added by CHIPRA Section 401(a), required the HHS Secretary, in consultation with the CMS Administrator, to conduct a demonstration project to develop a model for reducing childhood obesity by awarding grants to eligible entities (e.g., community-based organizations, federally-qualified health centers, and universities and colleges) to carry out the project.

CHIPRA authorized the appropriation of $25 million for the period of FY2009 through FY2013 to fund the demonstration project. ACA Section 4306 replaced the authorization of appropriation with a total appropriation of $25 million for the period of FY2010 through FY2014. MACRA Section 304(a) appropriated $10 million to fund the demonstration project for FY2016 and FY2017.

SSA Section 1139A authorizes a variety of activities related to pediatric quality measurement and care. Under SSA Section 1139A(a), the HHS Secretary was required to identify and publish an initial core set of pediatric quality measures by no later than January 1, 2010. SSA Section 1139A(b) required the Secretary to establish a Pediatric Quality Measures Program (PQMP) by January 1, 2011. This program is required to identify pediatric quality measure gaps and development priorities, award grants and contracts to develop measures, and revise and strengthen the core measure set, among other things. Section 1139A(c) requires states to submit reports to the Secretary annually to include information about state-specific child health quality measures applied by the state, among other things. Funding for these activities was appropriated in the amount of $45 million for each of FY2009 through FY2013. Section 210 of the Protecting Access to Medicare Act of 2014 (PAMA, P.L. 113–93) extended funding for the PQMP for FY2014 by requiring that not less than $15 million of the $60 million appropriated for adult health quality measures under SSA Section 1139B(e) for FY2014 be used to carry out Section 1139A(b). MACRA Section 304(b) appropriated $20 million for the period of FY2016 through FY2017 for the purposes of carrying out SSA Section 1139A.

Explanation of committee bill provision

This section would amend SSA Section 1139A(e)(8) to appropriate $25 million for the period of FY2018 through FY2022 to

carry out the childhood obesity demonstration project. It would also amend SSA Section 1139A(i) to appropriate funding in the amount of $75 million for the period of FY2018 through FY2022 to be used to carry out the certain activities of Section 1139A to remain available until expended.

SECTION 4: EXTENSION OF OUTREACH AND ENROLLMENT PROGRAM

Present law

CHIPRA Section 201 appropriated (out of funds in the Treasury that were not otherwise appropriated) $100 million in outreach and enrollment grants from FY2009 through FY2013 to be used by eligible entities (e.g., states, local governments, community-based organizations, elementary or secondary schools) to conduct outreach and enrollment efforts that increase the participation of Medicaid and CHIP-eligible children. Of the total appropriation, 10% is directed to a national campaign to improve the enrollment of underserved child populations, and 10% is targeted to outreach for Native American children. The remaining 80% is distributed among eligible entities for the purpose of conducting outreach campaigns, focusing on rural areas and underserved populations. Grant funds also are targeted at proposals that address cultural and linguistic barriers to enrollment. The ACA extended funding by appropriating $140 million for FY2009–FY2015 for outreach and enrollment grants. MACRA Section 303 appropriated $40 million for FY2016 and FY2017 for outreach and enrollment grants. Under current law, appropriated funds for CHIP outreach and enrollment grants have not been enacted for FY2018 or subsequent fiscal years.

Explanation of committee bill provision

This section would amend SSA Section 2113 to appropriate $100 million for CHIP outreach and enrollment grants for the period of FY2018 through FY2022.

SECTION 5: EXTENSION AND REDUCTION OF ADDITIONAL FEDERAL FINANCIAL PARTICIPATION FOR CHIP

Present law

The federal government's share of CHIP expenditures (including both services and administration) is determined by the E–FMAP rate. The E–FMAP rate is derived each year by the HHS Secretary using a set formula, and it varies by state. By statute, the E–FMAP (or federal matching rate) can range from 65% to 85%.

The ACA included a provision to increase the E–FMAP rate by 23 percentage points (not to exceed 100%) for most CHIP expenditures from FY2016 through FY2019. This increases the statutory range of the E–FMAP rate to 88% through 100%. In FY2017, the E–FMAP rates ranged from 88% (13 states) to 100% (12 states).

Explanation of committee bill provision

This section would continue the 23 percent increased E–FMAP rate under SSA Section 2105(b) in current law for two years from FY2018 to FY2019. The rate would then decrease compared to the previous year to 11.5 percentage points in FY2020, with no increased E–FMAP in FY2021 and FY2022.

III. BUDGET EFFECTS OF THE BILL

A. COMMITTEE ESTIMATES

The Committee adopts as its own the preliminary cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

B. BUDGET AUTHORITY

In compliance with section 308(a)(1) of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93–344), the Committee states that provisions of the bill as reported involve new or increased budget authority.

C. CONSULTATION WITH CONGRESSIONAL BUDGET OFFICE

In accordance with section 403 of the Congressional Budget and Impoundment Control Act of 1974 (P.L. 93–344), the Committee advises that the Congressional Budget Office has submitted a cost estimate on the bill. The following is the preliminary cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 20, 2017.

Hon. ORRIN G. HATCH,
Chairman, Committee on Finance,
U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1827, the Keep Kids' Insurance Dependable and Secure Act of 2017.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Emily King.

Sincerely,

KEITH HALL,
Director.

Enclosure.

S. 1827—Keep Kids' Insurance Dependable and Secure Act of 2017

Summary: S. 1827 would extend federal funding for the Children's Health Insurance Program (CHIP) for five years, through fiscal year 2022. The bill also would make several other changes to CHIP, including a change in the federal matching rate for the program and an extension of the requirement that states maintain eligibility levels as they were in 2010.

CBO and JCT estimate that, on net, enacting this legislation would increase the deficit by $8.2 billion over the 2018–2027 period. That amount includes a spending increase of $14.9 billion and an increase in revenues of $6.7 billion. About $2 billion of the estimated revenue increase would be off-budget.

Pay-as-you-go procedures apply because enacting the legislation would affect direct spending and revenues.

CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 1827 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

Estimated cost to the Federal Government: The estimated budgetary effect of S. 1827 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By fiscal year, in billions of dollars—											
	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2018–2022	2018–2027
INCREASES OR DECREASES (−) IN DIRECT SPENDING												
CHIP:												
Estimated Budget Authority	15.8	16.9	18.0	19.1	20.2	0	0	0	0	0	90.0	90.0
Estimated Outlays	2.7	10.1	8.7	7.2	7.6	7.2	5.4	0	0	0	36.4	49.0
Medicaid:												
Estimated Budget Authority	−0.9	−3.6	−2.3	−2.2	−2.1	−2.3	−1.8	0	0	0	−11.0	−15.1
Estimated Outlays	−0.9	−3.6	−2.3	−2.2	−2.1	−2.3	−1.8	0	0	0	−11.0	−15.1
Marketplaces:												
Estimated Budget Authority	−0.4	−2.1	−2.9	−3.4	−3.8	−3.6	−2.9	0	0	0	−12.6	−19.2
Estimated Outlays	−0.4	−2.1	−2.9	−3.4	−3.8	−3.6	−2.9	0	0	0	−12.6	−19.2
Other:												
Estimated Budget Authority	0.2	0	0	0	0	0	0	0	0	0	0.2	0.2
Estimated Outlays	*	*	*	*	*	*	*	*	*	0	*	0.2
Total Changes:												
Estimated Budget Authority	14.7	11.2	12.8	13.5	14.3	−5.9	−4.8	0	0	0	66.5	55.9
Estimated Outlays	1.4	4.5	3.6	1.6	1.7	1.4	0.6	*	*	0	12.7	14.9
INCREASES IN REVENUES												
Marketplaces	*	0.1	0.1	0.1	0.1	0.1	0.1	0	0	0	0.4	0.7
Employer-Sponsored Insurance	0.1	0.7	0.9	1.1	1.2	1.1	0.9	0	0	0	3.9	6.0
Mandate Penalties	0	*	*	*	*	*	*	*	0	0	*	*
Total Changes	0.2	0.7	1.0	1.2	1.3	1.3	1.0	*	0	0	4.4	6.7
On-Budget	*0.1*	*0.5*	0.7	*0.8*	*0.9*	*0.8*	*0.7*	*	*0*	*0*	*2.9*	*4.4*
Off-Budget	*0.1*	*0.3*	*0.3*	*0.4*	*0.4*	*0.4*	*0.3*	*0*	*0*	*0*	*1.5*	*2.3*
NET INCREASE OR DECREASE (−) IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES												
Net Change in the Deficit	1.3	3.8	2.6	0.4	0.4	0.1	−0.4	*	*	0	8.5	8.2
On-Budget	*1.3*	*4.0*	*2.9*	*0.8*	*0.9*	*0.5*	*−0.1*	*0*	*0*	*0*	*10.0*	*10.5*
Off-Budget	*−0.1*	*−0.3*	*−0.3*	*−0.4*	*−0.4*	*−0.4*	*−0.3*	*0*	*0*	*0*	*−1.5*	*−2.3*

Notes: CHIP = Children's Health Insurance Program; "Other" includes outreach and enrollment grants, the child obesity demonstration project, and the pediatric quality measures program; * = between − $50 million and + $50 million; components may not add to totals because of rounding.

Basis of estimate: S. 1827 would extend funding for CHIP through 2022, change the federal matching rate in 2020, and extend certain eligibility requirements. CBO and JCT estimate that enacting this legislation would increase federal spending by $14.9 billion and revenues by $6.7 billion, for a net cost of $8.2 billion over the 2018–2027 period, relative to CBO's baseline.

Extension of funding

The bill would provide a total of $118.5 billion for CHIP allotments to states over five years. The net cost of the extension described above ($8.2 billion) is substantially less than the amount of funding provided for three reasons. First, pursuant to the rules that govern CBO's baseline, certain expiring programs, including CHIP, are assumed to continue in the baseline beyond their scheduled expiration dates. In accordance with those rules and the structure of CHIP financing in 2017, CBO assumes the continuation of $5.7 billion of CHIP funding in each year over the 2018–2027 period. CBO's estimate of CHIP spending under this bill is net of that spending already assumed in the baseline.

Second, the increase in spending for CHIP would be partially offset by reductions in the net costs of federal subsidies provided for other forms of health insurance, including Medicaid, insurance purchased through the health insurance marketplaces established under the ACA, and employment-based health insurance. Those reductions would occur because most of the people who would receive coverage through CHIP as a result of enacting S. 1827 would otherwise receive federally subsidized coverage under current law. Specifically, CBO estimates that of the approximately six million children who would be covered by CHIP under S. 1827:

- About 40 percent would be covered by Medicaid under current law. Thus, enacting S. 1827 would reduce federal Medicaid spending by $15.1 billion during the 2018–2027 period relative to CBO's baseline.
- About 25 percent would receive subsidies for private health insurance purchased through the marketplaces under current law. Children in families with income between 138 percent and 400 percent of the poverty guidelines who are not eligible for Medicaid would generally qualify for subsidies to purchase health insurance through the marketplaces if they do not have access to employment-based coverage through a parent. If S. 1827 is enacted, CBO estimates those subsidies would be $20 billion lower over the 2018–2027 period because those children would enroll in CHIP instead of purchasing coverage through the marketplaces. The estimated decrease in subsidies for coverage purchased through marketplaces comprises a $19.2 billion reduction in outlays and a $0.7 billion increase in revenues.
- About 25 percent would participate in employment-based health insurance under current law, because some parents with offers of family coverage through an employer will choose to enroll their children in such plans. Under S. 1827, CBO and JCT estimate that revenues would be $3.8 billion higher over the 2018–2027 period because parents who would no longer enroll their children in health insurance through their employer

would receive less of their income in nontaxable health benefits and more in taxable wages.

- Fewer than 10 percent would be uninsured under current law and some would be subject to the penalty associated with the individual mandate. Enacting S. 1827 would reduce federal revenues associated with collecting that penalty by less than $50 million over the 2018–2027 period.

Finally, the net cost of the extension is less than the $118.5 billion that would be provided by S. 1827 because CBO does not expect that all of the appropriated funds would be spent.

Federal matching rate

Under current law, a 23 percentage point increase in the CHIP federal matching rate that went into effect in 2016 will expire after 2019. The average matching rate would return to historical levels of about 70 percent beginning in 2020. Under S. 1827, states would receive an 11.5 percentage point increase in the matching rate in 2020 and the matching rate would return to historical levels beginning in 2021. CBO estimates that approximately $2 billion of the net cost of S. 1827 is due to this provision.

Maintenance of eligibility levels requirement

Under current law, states are required to maintain CHIP eligibility levels, methodologies, and procedures as they were on March 23, 2010 through September 30, 2019. CBO expects that, under current law, some states would lower CHIP eligibility levels and/or impose more restrictive eligibility procedures (such as waiting periods) beginning in 2020, which would reduce the number of children eligible for CHIP.

S. 1827 would mostly extend this requirement through 2022. Instead of the requirement applying to all children, beginning in 2020 it would be limited to children in families with income below 300 percent of the poverty guidelines. It would also apply to children in families with income above 300 percent of the poverty guidelines who do not have access to an offer of employer-sponsored insurance through a family member. (Because the vast majority of children in CHIP are in families with incomes below 300 percent of the poverty guidelines, CBO estimates that continuing this requirement, as modified by S. 1827, would affect at least 98 percent of children who would be enrolled in CHIP if the current requirement were fully extended through 2022.)

CBO expects that more children would enroll in CHIP under S. 1827 because of the extension of the eligibility requirements that are scheduled to expire in 2019. Overall, the cost to the federal government of covering these children in CHIP would be less than the average cost of covering them in the marketplaces and employment-based insurance. As a result, CBO estimates that this provision would reduce the estimated net cost of extending CHIP funding through 2022 by about $700 million.

Demonstration programs

The bill would provide $200 million of funding for the Childhood Obesity Demonstration Project, the Pediatric Quality Measures Program, and outreach activities to children that aim to increase enrollment in Medicaid and CHIP. Based on historical spending

patterns for similar activities, CBO estimates that those provisions would increase outlays by approximately $200 million over the 2018–2027 period.

Increase in long-term direct spending and deficits: CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

Intergovernmental and private-sector impact: S. 1827 contains no intergovernmental or private-sector mandates as defined in UMRA.

IV. VOTES OF THE COMMITTEE

In compliance with paragraph 7(b) of rule XXVI of the Standing Rules of the Senate, the Committee states that, with a majority present, the Keeping Kids' Insurance Dependable and Secure (KIDS) Act of 2017 was ordered favorably reported by a voice vote on October 4, 2017.

V. REGULATORY IMPACT AND OTHER MATTERS

A. Regulatory Impact

Pursuant to paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee makes the following statement concerning the regulatory impact that might be incurred in carrying out the provisions of the bill.

Impact on individuals and businesses, personal privacy and paperwork

In carrying out the provisions of the bill, there is no expected imposition of additional administrative requirements or regulatory burdens on individuals or businesses. The provisions of the bill do not impact personal privacy.

B. Unfunded Mandates Statement

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act of 1995 (P.L. 104–4). The Congressional Budget Office estimates the bill would not impose intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

VI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In the opinion of the Committee, it is necessary in order to expedite the business of the Senate, to dispense with the requirements of paragraph 12 of rule XXVI of the Standing Rules of the Senate (relating to the showing of changes in existing law made by the bill as reported by the Committee).