



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 15, 2002

H.R. 2990 **Lower Rio Grande Valley Water Resources Conservation and Improvement Act of 2001**

As ordered reported by the House Committee on Resources June 26, 2002

SUMMARY

H.R. 2990 would amend the Lower Rio Grande Valley Water Resources Conservation and Improvement Act of 2000 to add 14 new water conservation projects to those eligible for federal assistance under that act. The bill also would increase the funds authorized for studies of these projects—from \$2 million to \$8 million—and for construction of projects in the Lower Rio Grande Valley—from \$10 million to \$47 million. Hence, the bill would increase the existing authorization of appropriations by a total of \$43 million.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 2990 would cost \$38 million over the 2003-2007 period and an additional \$5 million after that period. H.R. 2990 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 2990 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit the state of Texas and local governments in that state that would receive the authorized federal assistance. Any costs incurred by those governments to meet the conditions of the assistance would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 2990 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	6	10	10	10	7
Estimated Outlays	3	7	9	10	9

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 2990 will be enacted by the start of fiscal year 2003. The bill would increase the current amount authorized to be appropriated for the Lower Rio Grande Water Conservation and Improvement Program from \$12 million to \$55 million. To date, no funds have been appropriated to implement the program. Appropriated funds would pay for the construction of pending authorized projects as well as the planning, design and construction of the new projects included in H.R. 2990.

Based on information from the Bureau of Reclamation and the Harlingen Irrigation District in Texas, CBO estimates that implementing H.R. 2990 would cost \$38 million over the 2003-2007 period and an additional \$5 million after that period, assuming appropriation of the authorized amounts.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2990 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit the state of Texas and local governments in that state that would receive the authorized federal assistance. Any costs incurred by these governments to meet the conditions of the assistance would be voluntary.

ESTIMATE PREPARED BY:

Federal Costs: Julie Middleton

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Cecil McPherson

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis