



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

October 2, 2002

H.R. 3908

North American Wetlands Conservation Reauthorization Act

*As ordered reported by the Senate Committee on Environment and Public Works
on September 26, 2002*

SUMMARY

H.R. 3908 would reauthorize funding for projects carried out under the North American Wetlands Conservation Act (NAWCA) and the Chesapeake Bay Initiative Act. The legislation would authorize the appropriation of \$340 million over the 2003-2007 period for activities under those acts (including \$53 million authorized to be appropriated under current law). Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 3908 would cost \$167 million over the 2003-2007 period and an additional \$123 million in later years. H.R. 3908 would not affect direct spending or revenues.

H.R. 3908 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3908 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
SPENDING SUBJECT TO APPROPRIATION					
Wetlands Spending Under Current Law					
Authorization Level ^a	53	0	0	0	0
Estimated Outlays	37	28	21	14	3
Proposed Changes					
Authorization Level	5	63	68	73	78
Estimated Outlays	1	19	35	50	62
Wetlands Spending Under H.R. 3908					
Authorization Level ^a	58	63	68	73	78
Estimated Outlays	38	47	56	64	65

a. The 2003 level is the amount authorized under current law.

BASIS OF ESTIMATE

For the estimate, CBO assumes that H.R. 3908 will be enacted early in fiscal year 2003 and that authorized amounts will be provided as specified in the legislation. Estimates of outlays are based on historic spending patterns for the affected programs.

H.R. 3908 would authorize the appropriation of \$325 million over the 2003-2007 period (including \$50 million authorized to be appropriated under current law) for the U.S. Fish and Wildlife Service (USFWS) to implement NAWCA. We estimate that, under H.R. 3908, the agency would spend \$155 million over the 2003-2007 period and \$120 million in later years for a variety of activities to benefit wetlands in North America, including matching grants, cooperative projects, and land acquisition. We also estimate that other provisions of this legislation, which would amend the allocation and cost-sharing provisions of NAWCA, would not have any significant effect on spending for wetlands conservation.

H.R. 3908 also would authorize the appropriation of \$18 million over the 2003-2008 period (including \$3 million authorized to be appropriated under current law) for the Secretary of the Interior and the Environmental Protection Agency to provide financial and technical assistance to certain local governments under the Chesapeake Bay Initiative Act. We estimate that implementing H.R. 3908 would increase discretionary spending by \$12 million over the 2003-2007 period, with an additional \$3 million being spent in 2008.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3908 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. State and local governments that receive funds authorized by this act would benefit from provisions that would increase the authorized amounts and allocate a higher proportion of the funds to domestic projects.

PREVIOUS CBO ESTIMATE

On April 25, 2002, CBO transmitted a cost estimate for H.R. 3908 as ordered reported by the House Committee on Resources on April 24, 2002. Both versions would authorize the same level of funding for activities under NAWAC, and our estimates of federal spending for such activities are the same. Our estimate of spending under the Senate Committee on Environment and Public Works' version of H.R. 3908 is higher because that version would authorize additional funding for federal agencies to implement the Chesapeake Bay Initiative Act.

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