



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 11, 1998

**H.R. 3035
National Drought Policy Act of 1998**

*As ordered reported by the House Committee on Transportation and Infrastructure
on May 6, 1998*

SUMMARY

H.R. 3035 would establish an advisory commission to provide advice and recommendations to the President and the Congress on the creation of an integrated federal policy designed to prepare for and respond to drought emergencies. The commission would submit a report recommending a national drought policy within 18 months of enactment of the bill. The Secretary of Agriculture would provide all financial, administrative, and staff support services for the commission.

CBO estimates that implementing H.R. 3035 would cost between \$500,000 and \$1 million over the 1999-2003 period, assuming appropriation of the necessary amounts. H.R. 3035 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that implementing H.R. 3035 would result in new spending subject to appropriation of less than \$500,000 in each of fiscal years 1999 and 2000 and that the total cost of implementing the bill would be between \$500,000 and \$1 million. Those costs would be subject to appropriation of the necessary amounts.

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that (1) H.R. 3035 is enacted by the beginning of fiscal year 1999, (2) commissioners are appointed within two months of enactment, (3) the commission submits its report with its recommendations for a national drought policy in fiscal year 2000, (4) the commission ceases to exist within three months after submitting the report, and (5) all amounts estimated to be authorized by the bill are appropriated.

The commission would consist of 16 members, including six federal officers representing the Departments of Agriculture, the Interior, the Army, and Commerce, the Federal Emergency Management Agency, and the Small Business Administration. The other 10 (nonfederal) members would be nominated by the Secretary of Agriculture and by state, county, and city associations.

CBO anticipates that requiring federal officers to sit on the commission and detailing federal employees to the commission would collectively create a need for additional staff and overtime compensation at the affected agencies. The commission would incur additional costs for travel and per diem expenses of its members, communications, supplies, printing, and other general expenses. We estimate that the total cost of temporarily replacing individuals assigned to the commission and the general expenses of the commission would require new spending subject to appropriation of less than \$500,000 a year for 1999 and 2000.

The six federal officials that would serve on the commission would be compensated by their employing agency while performing commission business (but could not receive compensation in addition to that received in connection with their normal positions). The 10 nonfederal members of the commission would be reimbursed only for travel expenses, including per diem in lieu of subsistence while away from home or their regular place of business.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3035 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On November 7, 1997, CBO provided an estimate for S. 222, the National Drought Policy Act of 1997, as ordered reported by the Senate Committee on Governmental Affairs on November 5, 1997. The two bills are similar and the estimates of total cost are identical.

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