



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 21, 2006

H.R. 4000

An act to authorize the Secretary of the Interior to revise certain repayment contracts with the Bostwick Irrigation District in Nebraska, the Kansas Bostwick Irrigation District No. 2, the Frenchman-Cambridge Irrigation District, and the Webster Irrigation District No. 4, all a part of the Pick-Sloan Missouri Basin Program, and for other purposes

*As ordered reported by the Senate Committee on Energy and Natural Resources
on May 24, 2006*

SUMMARY

H.R. 4000 would authorize the Secretary of the Interior to revise certain repayment contracts with several irrigation districts that are a part of the Pick-Sloan Missouri Basin Program. The repayment contracts are for reimbursable construction costs. This act would amend the current schedule of repayments by equalizing the amount of annual payments over the remaining life of the contracts.

Under the legislation, the irrigation districts would make smaller payments to the federal government during the first 10 years after enactment and larger payments in the later years of their contracts, compared with the payments due under current law. Those payments are recorded in the budget as offsetting receipts (that is, offsets to outlays). Because the act would reduce the amount of offsetting receipts collected by the government over the next 10 years, CBO estimates that enacting H.R. 4000 would increase direct spending by almost \$3.5 million over the 2006-2016 period. Over the next 35 years, aggregate receipts to the government would be unchanged, assuming H.R. 4000 is enacted before the end of 2006.

H.R. 4000 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 4000 is shown in the following table. The costs of this legislation fall within budget function 300 (water resources). For this estimate, CBO assumes that H.R. 4000 will be enacted before the end of fiscal year 2006.

	By Fiscal Year, in Millions of Dollars										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
CHANGES IN DIRECT SPENDING											
Estimated Budget Authority	1	1	1	1	*	*	*	*	*	*	*
Estimated Outlays	1	1	1	1	*	*	*	*	*	*	*

NOTES: * = less than \$500,000.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4000 contains no intergovernmental or private-sector mandates. The act would benefit some water districts by authorizing the Secretary of the Interior to revise their repayment contracts for construction and water supply projects, shifting some payments into later years.

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