



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 3, 2014

### **H.R. 3980** **Water Supply Permitting Coordination Act**

*As ordered reported by the House Committee on Natural Resources  
on September 18, 2014*

#### **SUMMARY**

H.R. 3980 would direct the Bureau of Reclamation (BOR) to act as the lead agency when coordinating with state and other federal agencies to approve or deny construction of new projects for storing surface water in 17 western states. Based on information from BOR and assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 3980 would cost \$5 million over the 2015-2019 period.

The bill also would allow BOR to collect and expend funds contributed by non-federal public entities to expedite the evaluation of permit applications for new projects. Because the legislation would affect direct spending, pay-as-you-go procedures apply. However, based on information from BOR, CBO estimates that amounts collected and spent for such purposes would have an insignificant net effect on the federal budget. Enacting the legislation would not affect revenues.

H.R. 3980 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 effect of H.R. 3980 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					2015-2019
	2015	2016	2017	2018	2019	
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Estimated Authorization Level	1	1	1	1	1	5
Estimated Outlays	1	1	1	1	1	5

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 3980 will be enacted at the end of calendar year 2014 and that the necessary amounts will be appropriated over the next five years.

With the aim of accelerating the evaluation of new projects for storing surface water, H.R. 3980 would establish BOR as the lead agency for issuing licenses, permits, and other approvals required for projects constructed on land managed by the Department of Interior or the Department of Agriculture. The bill also would impose deadlines for carrying out certain activities related to each project. Based on information from BOR and other federal agencies, CBO estimates that implementing those provisions would cost \$5 million over the 2015-2019 period, assuming appropriation of necessary amounts, for staff to coordinate agency reviews, for staff to consolidate project data and documentation, and for regional directors of BOR to conduct reviews.

Finally, H.R. 3980 would allow BOR to collect and spend funds contributed by non-federal public entities to expedite the evaluation of permit applications for new projects and other activities that serve a public purpose. The amounts collected each year would depend on the number of participants willing to contribute funds to expedite their permit. In most years, CBO estimates that BOR would collect and spend less than \$500,000.

## **PAY-AS-YOU-GO CONSIDERATIONS:**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. CBO estimates that the net change in direct spending that is subject to those pay-as-you-go procedures would be insignificant each year and over the next 10 years.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 3980 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

### **ESTIMATE PREPARED BY:**

Federal Costs: Aurora Swanson

Impact on State, Local, and Tribal Governments: Jon Sperl

Impact on the Private Sector: Tristan Hanon

### **ESTIMATE APPROVED BY:**

Theresa Gullo

Deputy Assistant Director for Budget Analysis