



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 7, 2014

### **S. 1946**

#### **A bill to amend the Reclamation Safety of Dams Act of 1978 to modify the authorization of appropriations**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on June 18, 2014*

#### **SUMMARY**

S. 1946 would authorize the appropriation of \$1.1 billion (plus additional amounts to account for inflation) for the Secretary of the Interior to carry out projects under the Reclamation Safety of Dams Act. Based on information from the Bureau of Reclamation, and assuming appropriation of necessary amounts, CBO estimates that implementing S. 1946 would cost \$196 million over the 2015-2019 period with additional spending continuing for several subsequent years.

Enacting S. 1946 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 1946 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 S. 1946 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	0	0	64	90	92	246
Estimated Outlays	0	0	38	70	87	196

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 1946 will be enacted near the start of fiscal year 2015 and that the necessary amounts will be appropriated over the next several years. Estimated outlays are based on historical spending patterns for those activities.

Under current law, the bureau is responsible for maintaining the safety and reliability of 476 dams in the western United States. About half of those dams were built before 1950 and many are scheduled to be rehabilitated over the next few years. Based on information from the bureau, \$200 million remains under the current authorization ceiling for the bureau’s dam safety program. That amount is insufficient to carry out the rehabilitation of six projects planned for the next 10 to 20 years with total estimated costs of about \$1 billion.

Under the bill, CBO estimates that about \$90 million a year—an amount similar to the program’s recent funding levels—would be needed for planned work over the next several years. However, the first \$200 million in funding for that work would come under the existing authorization in law. CBO estimates that implementing S. 1946 would cost \$196 million over the 2015-2019 period and additional amounts in subsequent years.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

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

S. 1946 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Any costs incurred by public entities to match or reimburse the federal funds authorized by this legislation would result from participating in a voluntary federal program.

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