



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Revised April 17, 2000

H.R. 728

Small Watershed Rehabilitation Amendments of 1999

*As reported by the House Committee on Transportation and Infrastructure
on November 18, 1999*

SUMMARY

Based on information from the Natural Resources Conservation Service (NRCS) and the Army Corps of Engineers (the Corps), CBO estimates that implementing H.R. 728 would cost \$360 million over the 2000-2005 period, assuming appropriation of the amounts specified in the bill. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 728 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments probably would incur some costs to match the grants authorized by this bill, but these costs would be voluntary.

Local watershed project sponsors, assisted by the NRCS, have constructed over 10,000 watershed projects under the Small Watershed Program. Title I of H.R. 728 would authorize the Secretary of Agriculture, acting through the NRCS, to assist local project sponsors in rehabilitating those projects and would authorize the appropriation of \$60 million a year over the 2000-2009 period for that purpose. Title II of H.R. 728 would authorize the Secretary of the Army to establish an inventory of dams constructed with federal assistance to assess needs for rehabilitation or modification and to report to the Congress on the condition of such dams within two years. The bill would authorize the appropriation of \$30 million for the Corps to conduct the assessment and to provide assistance to local organizations to rehabilitate dams that are determined to pose significant risks to public safety.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For purposes of this estimate, CBO assumes that H.R. 728 will be enacted before the end of fiscal year 2000 and that the authorized amounts will be appropriated for each year. Estimates of outlays are based on historical spending patterns for similar programs. Thus far, no funds have been appropriated to NRCS or to the Corps for activities authorized under

H.R. 728. The estimated budgetary impact of H.R. 728 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					
	2000	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	60	90	60	60	60	60
Estimated Outlays	2	75	83	77	63	60

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 728 contains no intergovernmental mandates as defined in UMRA. State and local governments would probably incur some costs to match the grants authorized by this bill, but these costs would be voluntary. The bill would require recipients to fund at least 35 percent of the total costs of assisted projects.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

PREVIOUS CBO ESTIMATE

This revised cost estimate supersedes a CBO cost estimate transmitted on November 17, 1999, for H.R. 728 as ordered reported by the House Committee on Transportation and Infrastructure on November 10, 1999. CBO previously estimated additional discretionary spending of \$401 million over the 2000-2004 period. The amounts shown above reflect a correction of an error regarding the amounts of appropriations authorized under title II of the bill.

On November 3, 1999, CBO transmitted a cost estimate for H.R. 728 as ordered reported by the House Committee on Agriculture on October 27, 1999. The Agriculture Committee's version of the bill did not include the provisions related to the dam safety program that would

be authorized under title II of the Transportation and Infrastructure Committee's version of the legislation.

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