



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 21, 2004

H.R. 4775

A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the El Paso, Texas, water reclamation, reuse, and desalinization project, and for other purposes

As ordered reported by the House Committee on Resources on September 15, 2004

SUMMARY

H.R. 4775 would authorize the Secretary of the Interior to participate in the design, planning, and construction of facilities to reclaim and reuse wastewater, and to treat and reuse brackish groundwater in cooperation with the El Paso Water Utilities Public Service Board in Texas. The federal share of the cost of this project could not exceed 50 percent, or a maximum of \$20 million.

Assuming appropriation of the necessary funds, CBO estimates that implementing H.R. 4775 would cost \$18 million over the 2005-2009 period and an additional \$2 million after that period. Enacting this bill would not affect direct spending or revenues.

H.R. 4775 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 impact of H.R. 4775 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				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	4	4	4	4	4
Estimated Outlays	3	3	4	4	4

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4775 will be enacted near the start of fiscal year 2005 and that the authorized amount will be appropriated in equal amounts over the 2005-2009 period. Based on historical spending patterns of similar projects, CBO estimates that implementing this bill would cost \$18 million over the 2005-2009 period and an additional \$2 million after that period.

At this time, the scope of the authorized project is uncertain. Because the project authorization under H.R. 4775 is very broad, CBO assumes that the federal share of the project's cost would be the maximum of \$20 million.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4775 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal funds authorized by this bill would benefit the city of El Paso, Texas. Any expenditures made by the city to provide the required matching funds would be made voluntarily.

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