



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

May 14, 2008

H.R. 123

**An act to authorize appropriations for
the San Gabriel Basin Restoration Fund**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on May 7, 2008*

SUMMARY

H.R. 123 would authorize the appropriation of additional amounts to the San Gabriel Basin Restoration Fund and would make the use of those funds contingent on the provision of matching funds by local entities in the state of California. Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 123 would cost \$50 million over the 2009-2013 period. Enacting H.R. 123 would not affect direct spending or revenues.

H.R. 123 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. 123 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				
	2009	2010	2011	2012	2013
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	12	12	12	12	13
Estimated Outlays	10	10	10	10	10

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the beginning of fiscal year 2009 and that the necessary amounts will be appropriated for each year.

H.R. 123 would increase—from \$85 million to \$146.2 million—the total amount authorized to be appropriated to the San Gabriel Basin Restoration Fund. Under current law, the Secretary of the Interior, working in coordination with municipalities, is authorized to use amounts in that fund to help design and construct water quality projects in the San Gabriel River Basin in California and to reimburse those facilities' operation and maintenance costs.

Based on historical spending patterns from the fund and assuming appropriation of the necessary amounts, CBO estimates that implementing the legislation would cost \$50 million over the 2009-2013 period, with additional spending of \$11 million occurring in later years.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 123 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Assuming appropriation of the authorized amounts, the San Gabriel Basin Water Quality Authority and the Central Basin Municipal Water District would receive an additional \$50 million over the five-year period for water restoration activities. That funding would be contingent on the provision of matching funds by those entities, but they would incur those costs voluntarily.

PREVIOUS CBO ESTIMATE

On December 11, 2007, CBO transmitted a cost estimate for H.R. 123 as ordered reported by the House Committee on Natural Resources on November 15, 2007. The two versions of the legislation would authorize the same total amount of funding for the San Gabriel Basin Restoration Fund, and our estimates of discretionary spending are the same. The House version would allow the Secretary of the Interior to invest unspent balances in the fund, which would increase direct spending by an estimated \$3 million over the 2008-2013 period.

ESTIMATE PREPARED BY:

Federal Costs: Tyler Kruzich

Impact on State, Local, and Tribal Governments: Melissa Merrell

Impact on the Private Sector: Amy Petz

ESTIMATE APPROVED BY:

Peter H. Fontaine

Assistant Director for Budget Analysis