



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 12, 2008

**H.R. 5511
Leadville Mine Drainage Tunnel Remediation Act of 2008**

As ordered reported by the House Committee on Natural Resources on June 11, 2008

SUMMARY

H.R. 5511 would require the Secretary of the Interior to treat and manage water in a mine pool in the Leadville Mine Drainage Tunnel (LMDT) in Colorado. The treatment would be part of a plan to clean up the California Gulch superfund site in Colorado.

Based on information from the Bureau of Reclamation and assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 5511 would cost \$90 million over the 2009-2013 period. Enacting the legislation would not affect direct spending or revenues.

H.R. 5511 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. 5511 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					2009-2013
	2009	2010	2011	2012	2013	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	10	20	30	30	0	90
Estimated Outlays	6	15	24	30	15	90

BASIS OF ESTIMATE

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

H.R. 5511 would require the Secretary of the Interior to treat and manage water in a mine pool in the LMDT in Colorado. The Bureau of Reclamation currently has a water treatment plant at the site, but the plant would have to be expanded to handle the anticipated quantity of water from the pool.

Based on information from the Bureau of Reclamation and assuming appropriation of the necessary amounts, CBO estimates that improvements to the water treatment plant and other costs of treating the pool water would total \$90 million over the 2009-2013 period. After 2013, the bureau would incur additional costs of \$2 million to \$5 million per year for operating and maintaining the expanded plant.

The bill also would require the Secretary to repair and maintain the structural integrity of the LMDT, as necessary, to prevent tunnel failure or an uncontrolled release of water. Based on information from the bureau, CBO does not anticipate that any work would be needed to repair or maintain the tunnel during the next five years.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 5511 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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