



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 3, 1999

H.R. 728

Small Watershed Rehabilitation Amendments of 1999

As ordered reported by the House Committee on Agriculture on October 27, 1999

SUMMARY

Based on information from the Natural Resources Conservation Service (NRCS), CBO estimates that implementing H.R. 728 would cost \$270 million over the 2000-2004 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 would probably 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. H.R. 728 would authorize the Secretary of Agriculture, acting through the NRCS, to assist local project sponsors in rehabilitating those projects. The bill would authorize the appropriation of \$60 million a year over the 2000-2009 period for the Secretary to provide financial and technical assistance to eligible local organizations for planning, designing, and implementing watershed rehabilitation projects. H.R. 728 would require the Secretary to assess the need for watershed rehabilitation in all states in which eligible water projects exist, establish a process for approving requests for assistance, monitor the benefits of rehabilitation efforts, and submit an annual report to the Congress on the status of rehabilitation projects.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For purposes of this estimate, CBO assumes that H.R. 728 will be enacted early in fiscal year 2000 and that funding will be provided as authorized by the bill. Estimates of outlays are based on historical spending patterns for similar programs. In 2000, no funds have been appropriated to NRCS to provide technical assistance for the rehabilitation of small watershed projects. 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
SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	60	60	60	60	60
Estimated Outlays	42	51	57	60	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.

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