



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 17, 1999

### **H.R. 728** **Small Watershed Rehabilitation Amendments of 1999**

*As ordered reported by the House Committee on Transportation and Infrastructure  
on November 10, 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 \$401 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 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. Starting in fiscal year 2000, the bill would authorize an annual 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 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 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
<b>SPENDING SUBJECT TO APPROPRIATION</b>					
Authorization Level	90	90	90	90	90
Estimated Outlays	57	77	87	90	90

**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**

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. The difference in the two cost estimates for this legislation reflects the additional cost of the dam safety program.

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