



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 19, 1999

S. 1100

A bill to amend the Endangered Species Act of 1973 to provide that the designation of critical habitat for endangered and threatened species be required as part of the development of recovery plans for those species

*As ordered reported by the Senate Committee on Environment and Public Works
on June 29, 1999*

SUMMARY

Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1100 would cost the federal government about \$380 million over the 2000-2004 period. Enacting this legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 1100 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. S. 1100 would impose a mandate on the private sector, but CBO expects that the private sector would not likely incur any direct costs as a result.

S. 1100 would amend provisions of the Endangered Species Act (ESA) that govern the designation of critical habitat and the development of recovery plans for threatened or endangered species. The bill also would authorize funding for these activities for each of fiscal years 2000 through 2004. Specifically, the bill would authorize \$30 million annually for the National Marine Fisheries Service (NMFS) of the Department of Commerce and between \$42 million and \$60 million per year for the U.S. Fish and Wildlife Service (USFWS) of the Department of the Interior. The bill also would amend provisions of the ESA that govern these activities.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1100 is shown in the following table. The costs of the bill fall within budget function 300 (natural resources and environment). For purposes of this estimate, CBO assumes that the entire amounts authorized will be appropriated for each

fiscal year. Outlays are estimated on the basis of historical spending patterns for ongoing ESA programs.

	By Fiscal Year, in Millions of Dollars				
	2000	2001	2002	2003	2004
SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	72	76	80	85	90
Estimated Outlays	40	82	83	85	89

The amounts authorized by the bill would be available solely to develop recovery plans and to designate critical habitat for threatened or endangered species. For fiscal year 1999, the NMFS and the USFWS received appropriations of about \$29 million and \$47 million respectively for species recovery and designation of critical habitat. Of these amounts, about \$2 million in total was allocated to habitat designation. CBO cannot determine the exact portion of the remaining amounts allocated to the development of recovery plans (rather than to implementation, which is not addressed by this legislation). We estimate, however, that less than \$20 million (in total for both agencies) will be made available during 1999 for that purpose, because over 70 percent of all listed species already have recovery plans.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 1100 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 1100 would impose a mandate on the private sector by prohibiting certain civil lawsuits against the federal government during the first nine months after enactment and during periods specified by the bill to allow the government time to assess recovery plans and critical habitat designations for listed species. Under current law, federal agencies are

supposed to designate a critical habitat at the same time that a species is listed as endangered or threatened. The bill would allow federal agencies to designate critical habitat at a later stage of the process as part of the planning for the recovery of listed species.

According to sources in the government and the private sector, currently most suits filed under the Endangered Species Act are to force the government to designate a critical habitat. The bill would not impose any direct costs on the private sector by delaying such civil suits against the government.

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