



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 25, 2000

S. 1697

Reclamation Reform Refund Act of 2000

*As ordered reported by the Senate Committee on Energy and Natural Resources
on September 20, 2000*

S. 1697 would authorize the appropriation of such sums as necessary to refund certain payments made by water districts to the Bureau of Reclamation (bureau) before January 1, 1994. Until that time, the bureau charged the full cost of irrigation water, rather than the reduced rate, to those water districts whose customers failed to file the appropriate forms, as required by the Reclamation Reform Act of 1982. Currently, the bureau assesses a \$260 fee for failure to file such forms.

This bill would authorize and direct the bureau to fully refund the difference between the full cost rate and the reduced rate for providing irrigation water to certain districts with customers who did not complete the bureau's required paperwork prior to January 1, 1994. In addition, about 80 districts have already settled with the bureau and paid the fee required for failure to file the appropriate forms. Under the bill, those districts would also be eligible for a refund. Based on information from the bureau, CBO estimates that about 160 districts would receive payments of about \$1 million in 2001, subject to the availability of appropriated funds.

S. 1697 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The bill contains no intergovernmental or private-sector mandates as defined by the Unfunded Mandates Reform Act and would benefit some water districts by directing the Secretary of the Interior to refund certain penalties collected from them.

On August 18, 2000, CBO transmitted a cost estimate for H.R. 4847, the Reclamation Reform Refund Act of 2000, as ordered reported by the House Committee on Resources on July 26, 2000. H.R. 4847 and S. 1697 have different criteria for determining which districts would be eligible for a refund, but both bills would cost about \$1 million to implement.

The CBO staff contact for this estimate is Lisa Cash Driskill. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.