



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 1, 2002

H.R. 1070 **Great Lakes Legacy Act of 2002**

*As ordered reported by the Senate Committee on Environment and Public Works
on September 26, 2002*

SUMMARY

CBO estimates that implementing this legislation would cost \$390 million over the 2003-2007 period, assuming appropriation of the specified amounts. H.R. 1070 would authorize the Environmental Protection Agency (EPA), in conjunction with nonfederal sponsors, to carry out projects aimed at cleaning up certain areas of the Great Lakes where contamination has settled into sediments at the bottom of the lakes. The bill would authorize the appropriation of \$250 million over the 2004-2008 period to EPA for that purpose. In addition, over the same period, the bill would authorize the appropriation of \$10 million for EPA to conduct research on the development and use of innovative methods for cleaning up the Great Lakes and \$25 million for EPA to conduct a public information program that would address concerns over contaminated sediment. Also, this legislation would authorize the appropriation of \$200 million over the 2004-2008 period for the Great Lakes National Program Office to support demonstration projects on controlling and removing toxic pollutants from the Great Lakes, nutrient monitoring at the Great Lakes, and related research.

H.R. 1070 also includes the Daniel Patrick Moynihan Lake Champlain Basin Program Act of 2002, which would establish the Lake Champlain Basin Program and authorize the appropriation of \$55 million over the 2003-2007 period for EPA, the Department of the Interior, the Department of Commerce, and the Department of Agriculture. Such funds would be used by the various agencies to support efforts to improve the environmental quality of the Lake Champlain Basin.

H.R. 1070 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that implementing the bill would cost \$390 million over the 2003-2007 period, assuming appropriation of the amounts authorized for each year. Another \$150 million would be spent in subsequent years. The estimated budgetary impact of H.R. 1070 for the first five years 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				
	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION^a					
EPA Funding for Clean-up Projects					
Authorization Level	0	50	50	50	50
Estimated Outlays	0	25	40	48	50
Research and Development					
Authorization Level	0	2	2	2	2
Estimated Outlays	0	2	2	2	2
Public Information Program					
Authorization Level	0	5	5	5	5
Estimated Outlays	0	5	5	5	5
Great Lakes National Program Office					
Authorization Level	0	40	40	40	40
Estimated Outlays	0	26	38	40	40
Lake Champlain Basin Program					
Authorization Level	11	11	11	11	11
Estimated Outlays	11	11	11	11	11
Total					
Authorization Level	11	108	108	108	108
Estimated Outlays	11	69	96	106	108

a. EPA has not yet received a full-year appropriation for 2003. The Great Lakes National Program Office and the Lake Champlain Basin Management Conference received an appropriation of \$18 million in 2002.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R 1070 contains no intergovernmental or private-sector mandates as defined in UMRA. This bill would benefit Great Lakes states by authorizing appropriations for grants to conduct projects that lead to remediation of sediment contamination in certain areas in the Great Lakes. States in the Lake Champlain basin would benefit from grants authorized to implement a plan to improve the environmental integrity of the Lake Champlain watershed. Any costs to participants in these programs would be incurred voluntarily.

PREVIOUS CBO ESTIMATE

On July 3, 2002, CBO transmitted a cost estimate for H.R. 1070, as ordered reported by the House Committee on Transportation and Infrastructure on June 26, 2002. The Senate version of H.R. 1070, unlike the House version, would authorize the appropriation of \$55 million over the 2003-2007 period for the Lake Champlain Basin Program. In addition, the Senate version would authorize appropriations totaling \$485 million over the 2004-2008 period for activities related to the Great Lakes, while the House version would authorize a total appropriation of \$260 million over the 2003-2007 period.

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