



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 18, 2002

S. 1768

Calfed Bay-Delta Authorization Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on June 5, 2002*

SUMMARY

S. 1768 would authorize the appropriation of \$1.63 billion to implement the first seven years (known as Stage I) of the Calfed Bay-Delta program (CALFED). Assuming appropriation of the authorized sums, CBO estimates that implementing S. 1768 would cost \$1.2 billion over the 2003-2007 period. S. 1768 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

A consortium of 18 federal and state agencies in California participate in the CALFED program, which is designed to increase water yield and environmental benefits, as well as improve water quality, the reliability of water systems, the efficiency of water use, watershed management, water transfers, and levee protection in the San Francisco Bay and the Sacramento-San Joaquin Delta (known as the Bay-Delta watershed).

S. 1768 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The funds authorized by this bill would benefit the state of California and local governments in that state. Any spending by those governments to participate in the CALFED program would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1768 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					
	2002	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION						
CALFED Spending by the Bureau of Reclamation Under Current Law						
Budget Authority	0	0	0	0	0	0
Estimated Outlays	50	55	0	0	0	0
Proposed Changes						
Authorization Level	0	543	543	544	0	0
Estimated Outlays	0	54	163	299	353	353
CALFED Spending by Federal Agencies Under S. 1768						
Authorization Level	0	543	543	544	0	0
Estimated Outlays	50	109	163	299	353	353

BASIS OF ESTIMATE

For this estimate, CBO assumes S. 1768 would be enacted near the start of fiscal year 2003 and that the authorized amounts would be appropriated each year. Based on information from the Bureau of Reclamation and the historical spending patterns of similar programs, CBO estimates that the resulting outlays would total \$1.2 billion over the 2003-2007 period and an additional \$0.4 billion thereafter.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1768 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The funds authorized by this bill would benefit the state of California and local governments in that state. Any spending by these governments to participate in the CALFED program would be voluntary. The bill would limit the federal share of CALFED projects to one-third of the total cost.

PREVIOUS CBO ESTIMATE

On February 8, 2002, CBO transmitted a cost estimate for H.R. 3208, the Western Water Security Enhancement Act, as ordered reported by the House Committee on Resources on November 7, 2001. The cost of the Senate bill is lower than that of the House Resources Committee's version because the former would not authorize funding for the Small Reclamation Loan Program, a new competitive grant program, an environmental mitigation project at the Salton Sea in California, or feasibility studies, as the Resources Committee version did. In addition, the Senate bill would authorize the appropriation of \$1.6 billion for CALFED implementation while the House Resources Committee's bill would authorize \$600 million for the same purpose.

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