



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

October 7, 2002

S. 2984

**A bill to authorize a project for environmental restoration at
Smith Island, Maryland**

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

SUMMARY

S. 2984 would authorize the Secretary of the Army through the U.S. Army Corps of Engineers to conduct an environmental restoration project on Smith Island in the Chesapeake Bay. This project would be designed to protect the shoreline, restore wetlands, and control erosion. The bill would authorize a total project cost of \$7.4 million (in 2000 dollars) that could be adjusted for inflation. Under this bill, the federal share of the cost would be \$4.8 million and the nonfederal share of the cost would be \$2.6 million.

Assuming appropriation of the necessary amounts, including adjustments for anticipated inflation, CBO estimates that the federal cost for implementing S. 2984 would total about \$5 million over the 2003-2007 period. Enacting S. 2984 would not affect direct spending or revenues.

S. 2984 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 federal assistance authorized by this bill would benefit any state and local governments choosing to participate in this project. Any costs they would incur to comply with the conditions of this assistance, including matching requirements, would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2984 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					
Estimated Authorization Level	0	2	2	1	0
Estimated Outlays	0	1	2	2	0

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 2984 will be enacted in fiscal year 2003 and that amounts will be appropriated to meet the Corps’ anticipated construction schedule for the project. Based on information from the Army Corps of Engineers, CBO estimates that implementing S. 2984 would cost about \$5 million over the 2003-2007 period, including adjustments for anticipated inflation. (That amount reflects the federal share of the project’s cost.)

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2984 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal assistance authorized by this bill would benefit any state and local governments choosing to participate in this project. Any costs they would incur to comply with the conditions of this assistance, including matching requirements, would be voluntary.

ESTIMATE PREPARED BY:

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