



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

June 1, 2004

**H.R. 142**

**A bill to amend the Reclamation Wastewater and Groundwater Study and Facilities Act to authorize the Secretary of the Interior to participate in the Prado Basin Natural Treatment System project, to authorize the Secretary to carry out a program to assist agencies in projects to construct regional brine lines in California, and to authorize the Secretary to participate in the Lower Chino Dairy Area desalination demonstration and reclamation project**

*As ordered reported by the House Committee on Resources on May 5, 2004*

**SUMMARY**

H.R. 142 would authorize the Secretary of the Interior to participate in the design, planning, and construction of three new projects under the Reclamation Wastewater and Groundwater and Facilities Act, including the Prado Basin Natural Treatment System Project, the regional brine lines in Southern California, and the Lower Chino Dairy Area Desalination Demonstration and Reclamation Project. The bill would authorize the appropriation of \$20 million for the federal share of the Prado Basin Natural Treatment System Project. In addition, the bill would authorize the appropriation of such sums as necessary for the federal share (up to \$50 million) of each of the two other projects. For all three projects, the federal share would be limited to 25 percent of the total project cost.

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 142 would cost \$110 million over the 2005-2009 period and \$10 million after that period. Enacting this bill would not affect direct spending or revenues.

H.R. 142 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 funds authorized by this bill would benefit local governments in California. Any costs incurred by these governments to provide the required matching funds would be voluntary.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 142 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				
	2005	2006	2007	2008	2009
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
<b>Prado Basin Project</b>					
Estimated Authorization Level	4	4	4	4	4
Estimated Outlays	3	3	4	4	4
<b>Regional Brine Lines</b>					
Estimated Authorization Level	10	10	10	10	10
Estimated Outlays	7	9	10	10	10
<b>Lower Chino Dairy Project</b>					
Estimated Authorization Level	10	10	10	10	10
Estimated Outlays	7	9	10	10	10
<b>Total Changes</b>					
Estimated Authorization Level	24	24	24	24	24
Estimated Outlays	17	21	24	24	24

## BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 142 will be enacted near the end of fiscal year 2004 and that the necessary amounts will be appropriated in equal amounts over the 2005-2009 period. Based on preliminary information about the total cost of these projects, we assume that \$50 million would be needed for the federal share of construction costs of the regional brine lines and that \$50 million would be needed for the federal share of the Lower Chino Dairy Project—the maximum amount that would be authorized under the bill for each project. Based on historical spending patterns of similar projects, CBO estimates that implementing this bill would cost \$110 million over the 2005-2009 period and \$10 million after that period.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 142 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The federal funds authorized by this bill would benefit local governments in California. Any costs incurred by these governments to provide the required matching funds would be voluntary.

### **ESTIMATE PREPARED BY:**

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