



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 11, 2006

H.R. 1105

Dam Rehabilitation and Repair Act of 2005

*As ordered reported by the House Committee on Transportation and Infrastructure
on September 20, 2006*

SUMMARY

H.R. 1105 would authorize a new grant program for states to rehabilitate publicly owned dams in need of repair. Under the legislation, the federal share of the dam rehabilitation projects could not exceed 65 percent of the total cost. The bill would authorize the appropriation of \$50 million in 2007 and \$100 million a year over the 2008-2010 period for grants to states. In addition, the bill would authorize the appropriation of \$400,000 a year over the 2007-2009 period for the cost of federal staff to implement this grant program.

Assuming appropriation of the amounts specified in H.R. 1105, CBO estimates that implementing the bill would cost \$335 million over the 2007-2011 period, and an additional \$15 million after that period. Enacting H.R. 1105 would not affect direct spending or receipts.

H.R. 1105 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit state, local, and tribal governments; any costs associated with the new grants would be incurred voluntarily.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1105 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development). For this estimate, CBO assumes that H.R. 1105 will be enacted this fall and that the amounts specified in the bill will be appropriated for each fiscal year. Estimates of outlays are based on historical spending patterns for similar grant programs.

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	50	100	100	100	0
Estimated Outlays	20	80	90	100	45

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1105 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. States would benefit from grant funds authorized in the bill for rehabilitating and repairing deficient dams. The costs of any requirements tied to these grants would be incurred voluntarily.

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