



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 9, 2006

S. 2735

Dam Safety Act of 2006

*As ordered reported by the Senate Committee on Environment and Public Works
on May 23, 2006*

SUMMARY

S. 2735 would reauthorize the national dam safety program through fiscal year 2011. The safety program, administered by the Federal Emergency Management Agency (FEMA), provides grants to state regulatory agencies, funds research projects aimed at improving dam safety, and trains safety officials and dam operators. The bill would authorize the appropriation of \$12.7 million for each year over the 2007-2011 period for the national dam safety program.

Assuming appropriation of the amounts specified in S. 2735, CBO estimates that implementing the bill would cost about \$60 million over the 2007-2011 period. Enacting S. 2735 would not affect direct spending or receipts.

S. 2735 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. Enacting this bill would benefit states by increasing the amount authorized for state grants.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2735 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 S. 2735 will be enacted near the beginning of fiscal year 2007 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 the national dam safety program.

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	13	13	13	13	13
Estimated Outlays	10	13	13	13	13

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2735 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit states by increasing the amount authorized for state grants.

Under current law, state dam safety programs are required to work toward meeting certain criteria to receive federal assistance through the national dam safety program. S. 2735 would modify those criteria to require states' dam safety programs to include the authority to require owners of dams, including dams in the private sector, to install and monitor certain instruments.

ESTIMATE PREPARED BY:

Federal Costs: Gregory Waring

Impact on State, Local, and Tribal Governments: Emily Holt and Marjorie Miller

Impact on the Private Sector: Amy Petz

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis