



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 5, 2007

**H.R. 1725
Rancho California Water District
Recycled Water Reclamation Facility Act of 2007**

As reported by the House Committee on Natural Resources on June 28, 2007

SUMMARY

H.R. 1725 would authorize the Bureau of Reclamation (BOR) to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California.

Assuming appropriation of the authorized amount, CBO estimates that implementing the legislation would cost \$10 million over the 2008-2012 period and another \$10 million after 2012 to complete the project. Enacting the legislation would have no effect on direct spending or revenues.

H.R. 1725 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would benefit the Rancho California Water District.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1725 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				
	2008	2009	2010	2011	2012

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	1	10	9	0	0
Estimated Outlays	*	2	2	3	3

Note: * = less than \$500,000.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted before the start of fiscal year 2008 and that the authorized amounts will be appropriated for each year.

H.R. 1725 would authorize BOR to participate in the design, planning, and construction of permanent facilities for water recycling, demineralization, desalination, and distribution of nonpotable water supplies in Southern Riverside County, California. The total estimated cost for the project is \$103 million. The legislation would authorize the agency to contribute the lesser of \$20 million, or 25 percent of the total project costs.

Based on information provided by the agency, CBO understands that construction on all components of the project would be completed in approximately 10 years. The first year would be dedicated to planning and design, and the next nine years would be spent completing the project.

Assuming appropriation of the authorized amounts, CBO estimates that implementing the bill would cost \$10 million over the 2008-2012 period and an additional \$10 million after 2012.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1725 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The Rancho California Water District would benefit from federal assistance authorized by the bill; any costs to the district for the project would be incurred voluntarily.

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