



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 30, 2015

**S. 438
IRRIGATE Act**

*As ordered reported by the Senate Committee on Indian Affairs
on March 18, 2015*

SUMMARY

S. 438 would establish a new Indian Irrigation Fund and transfer \$35 million from the existing Reclamation Fund into the proposed fund each year over the 2016-2037 period. Those annual deposits, and interest credited to the unspent balances in the new fund, would be authorized to be appropriated for maintaining Indian Irrigation projects operated by the Bureau of Indian Affairs (BIA) in the western United States.

Based on information from the BIA, CBO estimates that implementing the legislation would cost \$152 million over the 2016-2020 period and about \$625 million after 2020. Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

S. 438 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of S. 438 is shown in the following table. The costs of this legislation fall within budget functions 300 (natural resources and environment) and 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars					2016-2020
	2016	2017	2018	2019	2020	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	35	35	36	37	37	180
Estimated Outlays	18	26	34	37	37	152

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 438 will be enacted before the end of 2015 and that the authorized amounts will be appropriated for each fiscal year. Estimated outlays are based on information from the BIA and on historical spending patterns for similar projects.

S. 438 would authorize the annual appropriation of \$35 million, and any interest credited to the proposed fund, for maintenance of Indian Irrigation projects owned by the federal government and operated by the BIA. According to the BIA, the agency operates 18 Indian Irrigation projects that would be eligible to receive appropriated funds under the bill. The total cost to complete the deferred maintenance for all those projects is currently estimated to be about \$600 million. S. 438 funds also could be used for additional maintenance costs until 2037.

CBO estimates that implementing S. 438 would cost \$152 million over the 2016-2020 period and about \$625 million thereafter, assuming appropriation of the authorized amounts.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 438 contains no intergovernmental or private-sector mandates as defined in UMRA.

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