



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 6, 2015

S. 501 **New Mexico Navajo Water Settlement Technical Corrections Act**

*As ordered reported by the House Committee on Natural Resources
on July 9, 2015*

S. 501 would amend the Navajo Settlement Act to authorize the Bureau of Reclamation (bureau) to participate in planning and designing groundwater well projects in the Navajo Nation in New Mexico. The bill also would clarify the intent of certain provisions of that act and shift some amounts of authorized spending among authorized activities. Based on information from the bureau and the Bureau of Indian Affairs (BIA), CBO estimates that implementing the legislation would not have a significant effect on the federal budget. Because enacting S. 501 would not affect revenues or direct spending, pay-as-you-go procedures do not apply.

Under current law, the bureau is authorized to construct and rehabilitate groundwater wells and related pipeline facilities for municipal and domestic use by the Navajo Nation. The bureau is also authorized to participate in the planning and design of groundwater wells, subject to funding from local sponsors. S. 501 would clarify the bureau's authority to allocate federal resources to planning and design of such projects. Based on information from the bureau and the BIA, those activities would be accommodated under the existing authorization ceiling for those projects.

S. 501 also would clarify that the Navajo Nation can take delivery of non-project water but is responsible for any associated operation and maintenance costs. Finally, S. 501 would reallocate a portion of spending for fish and wildlife facilities to the preservation of archaeological resources near water projects. CBO estimates that those changes would have no significant effect on federal spending.

S. 501 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

On March 19, 2015, CBO transmitted a cost estimate for S. 501, the New Mexico Navajo Water Settlement Technical Corrections Act, as ordered reported by the Senate Committee on Indian Affairs on February 25, 2015. The two versions of the legislation are identical, and the CBO cost estimates are the same.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.