



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 7, 1997

### **S. 222**

### **National Drought Policy Act of 1997**

*As ordered reported by the Senate Committee on Governmental Affairs  
on November 5, 1997*

#### **SUMMARY**

S. 222 would establish an advisory commission to provide advice and recommendations to the President and the Congress on the creation of an integrated federal policy designed to prepare for and respond to drought emergencies. The commission would submit a report recommending a national drought policy within 18 months of enactment of the bill. The Secretary of Agriculture would provide all financial, administrative, and staff support services for the commission.

CBO estimates that implementing S. 222 would cost between \$500,000 and \$1 million over the 1998-2002 period, assuming appropriation of the necessary amounts. S. 222 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. The legislation contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would not significantly affect the budgets of state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

CBO estimates that implementing S. 222 would result in new spending subject to appropriation of less than \$500,000 in each of fiscal years 1998 through 2000 and that the total cost of implementing the bill would be between \$500,000 and \$1 million. Those costs would be subject to appropriation of the necessary amounts.

## **BASIS OF ESTIMATE**

For purposes of this estimate, CBO assumes that (1) S. 222 is enacted in the next few months, (2) commissioners are appointed within two months of enactment, (3) the commission submits its report with its recommendations for a national drought policy at the beginning of fiscal year 2000, (4) the commission ceases to exist within three months after submitting the report, and (5) all amounts estimated to be authorized by the bill are appropriated.

The commission would consist of 14 members, including six federal officers representing the Departments of Agriculture, the Interior, the Army, and Commerce, the Federal Emergency Management Agency, and the Small Business Administration. The other eight (nonfederal) members would be nominated by the Secretary of Agriculture and by state, county, and city associations.

CBO anticipates that requiring federal officers to sit on the commission and detailing federal employees to the commission would collectively create a need for additional staff and overtime compensation at the affected agencies. The commission would incur additional costs for travel and per diem expenses of its members, communications, supplies, printing, and other general expenses. We estimate that the total cost of temporarily replacing individuals assigned to the commission and the general expenses of the commission would require new spending subject to appropriation of less than \$500,000 a year for 1998 through 2000.

The six federal officials that would serve on the commission would be compensated by their employing agency while performing commission business (but could not receive compensation in addition to that received in connection with their normal positions). The eight nonfederal members of the commission would be reimbursed only for travel expenses, including per diem in lieu of subsistence while away from home or their regular place of business.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 222 contains no intergovernmental or private-sector mandates as defined in UMRA and would not significantly affect the budgets of state, local, or tribal governments.

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