



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 29, 2018

H.R. 6040

Contra Costa Canal Transfer Act

As ordered reported by the House Committee on Natural Resources on July 18, 2018

H.R. 6040 would authorize the Bureau of Reclamation (BOR), the Western Area Power Administration, and the Department of Defense to transfer the Contra Costa Canal, the Rock Slough Fish Screen, and the associated federal land and facilities to the Contra Costa County Water District located in California.

Under the bill, BOR would modify the Rock Slough Fish Screen to ensure the screen is operating safely before transferring it. Using information from BOR, CBO estimates that the federal share of the costs to complete that work would be \$2 million, subject to the availability of appropriated funds.

Under current law, the federal government collects leasing and grazing fees of about \$80,000 per year from the property that would be transferred under H.R. 6040. Those amounts are recorded in the federal budget as offsetting receipts, or reductions in direct spending. Under the bill, to compensate the federal government for those lost receipts, the district would pay the federal government an amount equal to the net present value of 10 years of receipts (discounted using the 10-year Treasury rate). CBO estimates that the district would pay the federal government \$750,000 in the next few years and that the net effect on direct spending over the 2019-2028 period would be negligible.

Because enacting H.R. 6040 would affect direct spending, pay-as-you-go procedures apply. Enacting H.R. 6040 would not affect revenues.

CBO estimates that enacting H.R. 6040 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6040 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.