



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 31, 2006

**S. 2781**

**Wastewater Treatment Works Security Act of 2006**

*As ordered reported by the Senate Committee on Environment and Public Works  
on May 23, 2006*

**SUMMARY**

CBO estimates that implementing S. 2781 would cost about \$245 million over the next five years, assuming appropriation of the authorized amounts. The funds would be used by the Environmental Protection Agency (EPA) to make grants to states, municipalities, or intermunicipal or interstate agencies to conduct vulnerability assessments at publicly owned wastewater treatment facilities and to undertake security enhancements at such facilities. In addition, the funds would be used by EPA to provide technical assistance to small publicly owned treatment facilities, such as training and engineering evaluations of security measures, and to make grants to nonprofit organizations to conduct self-assessments of security vulnerabilities. This legislation also would authorize funding to support EPA's research related to alternative processes to treat and dispose of wastewater in the event of a disaster.

Enacting S. 2781 could affect direct spending and receipts because the bill would provide for penalties against any individual who recklessly reveals information contained in vulnerability assessments of wastewater treatment facilities. CBO expects that penalties collected under the bill would not be significant because violations of this provision would be rare.

S. 2781 contains an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA); CBO estimates, however, that the costs of complying with that mandate would not exceed the threshold established in that act (\$64 million, adjusted annually for inflation). S. 2781 contains no new private-sector mandates as defined in UMRA.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that the bill will be enacted near the end of 2006. CBO estimates that implementing the bill would cost \$245 million over the 2007-2011 period, assuming appropriation of the amounts authorized for each year. Those estimated outlays are based on historical patterns for similar activities. The estimated budgetary impact of S. 2781 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				
	2007	2008	2009	2010	2011
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Grants for Wastewater Treatment Security					
Authorization Level	200	0	0	0	0
Estimated Outlays	10	100	55	30	5
EPA Technical Assistance					
Authorization Level	15	0	0	0	0
Estimated Outlays	3	8	4	0	0
Grants for Small Publicly Owned Treatment Facilities					
Authorization Level	1	1	1	1	1
Estimated Outlays	1	1	1	1	1
EPA Research on Wastewater Treatment					
Authorization Level	5	5	5	5	5
Estimated Outlays	5	5	5	5	5
Total Proposed Changes					
Authorization Level	221	6	6	6	6
Estimated Outlays	19	114	65	36	11

## ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 2781 contains an intergovernmental mandates as defined in UMRA because it would preempt the application of state and local laws providing for public access to information from vulnerability assessments of wastewater treatment facilities. That preemption constitutes an intergovernmental mandate as defined in UMRA, however, CBO estimates that complying with the mandate would not impose significant costs on state, local, or tribal governments; any costs would be well below the threshold established in that act (\$64 million, adjusted annually for inflation).

The bill also would authorize grants that would benefit state and local governments that conduct vulnerability assessments and implement security enhancements of wastewater treatment facilities. Any costs they might incur, including matching funds, would result from complying with conditions for receiving federal assistance.

**ESTIMATED IMPACT ON THE PRIVATE SECTOR**

S. 2781 contains no new private sector mandates as defined in UMRA.

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