



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 13, 2002

S. 1079

Brownfields Site Redevelopment Assistance Act of 2002

*As ordered reported by the Senate Committee on Environment and Public Works
on April 25, 2002*

SUMMARY

S. 1079 would authorize the Economic Development Administration (EDA) to make grants to communities or tribes for projects that promote the development of brownfield sites. (Brownfields are properties where the presence, or potential presence, of a hazardous substance complicates the development of the property.) The new grants would be used to develop public facilities and business or for planning, technical assistance and training. For these purposes, the bill would authorize the appropriation of \$60 million annually for fiscal years 2003 through 2007.

CBO estimates that implementing S. 1079 would cost \$130 million through fiscal year 2007, assuming the appropriation of the authorized amounts. We estimate that the remaining \$170 million authorized by the bill would be spent after 2007. S. 1079 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit local governments by authorizing \$60 million annually in grants to alleviate blight and deterioration associated with brownfield sites. Communities receiving assistance would have to provide at least 25 percent in matching funds for any grants they receive.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1079 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development). For this estimate, CBO assumes that the bill will be enacted before the start of fiscal year 2003, and

that authorized amounts will be appropriated for each fiscal year. Outlays have been estimated based on historical spending patterns of similar programs.

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007
SPENDING SUBJECT TO APPROPRIATION					
EDA Brownfields Grants ^a					
Authorization Level	60	60	60	60	60
Estimated Outlays	2	10	25	40	53

a. For 2002, \$335 million was appropriated for the various developmental assistance programs administered by EDA. Brownfields grants would be a new EDA program.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1079 contains no intergovernmental mandates as defined in UMRA and would benefit local governments by authorizing \$60 million annually in grants to alleviate blight and deterioration associated with brownfield sites. Communities receiving assistance would have to provide at least 25 percent in matching funds for any grants they receive.

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