



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 7, 2007

**H.R. 1140  
South Orange County Recycled Water Enhancement Act**

*As ordered reported by the House Committee on Natural Resources on May 2, 2007*

**SUMMARY**

H.R. 1140 would authorize the Secretary of the Interior to participate in the design, planning, and construction of an advanced water treatment facility and recycled water systems in San Juan Capistrano, California, and in San Clemente, California. Both projects would be carried out with the cooperation of the local governments of those cities. The bill would authorize the appropriation of \$23.5 million for those projects.

Assuming appropriation of the authorized amounts, CBO estimates that implementing the legislation would cost \$10 million over the 2008-2012 period and nearly \$14 million after 2012. Enacting the legislation would have no effect on direct spending or revenues.

H.R. 1140 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Funds authorized in the bill to design, plan, and construct water systems and projects would benefit the cities of San Juan Capistrano and San Clemente. Any costs those cities might incur, including matching funds, would result from complying with conditions of receiving federal assistance.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 1140 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				
	2008	2009	2010	2011	2012
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	2	2	2	2	2
Estimated Outlays	2	2	2	2	2

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the bill will be enacted before the start of fiscal year 2008 and that the necessary amounts will be appropriated for each fiscal year.

H.R. 1140 would authorize the Secretary of the Interior, in cooperation with the cities of San Juan Capistrano, California, and San Clemente, California, to participate in the design, planning, and construction of projects relating to the advanced treatment and recycling of water in those cities. Based on information from the Bureau of Reclamation, CBO estimates that the total cost of the projects would be \$94 million.

The federal share of the cost of the projects would be 25 percent, and federal funds would not be available for operation and maintenance of the projects. The authority of the Secretary to carry out the projects would sunset 10 years after the date of the enactment of the bill.

Assuming appropriation of the amounts necessary over the next five years to proceed with those projects, CBO estimates that implementing the legislation would cost \$10 million over the 2008-2012 period. The remaining federal share (about \$14 million) would be spent after 2012.

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

H.R. 1140 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Funds authorized in the bill to design, plan, and construct water systems and projects would benefit the cities of San Juan Capistrano and San Clemente. Any costs those cities might incur, including matching funds, would result from complying with conditions of receiving federal assistance.

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