



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

July 28, 2005

**S. 1409**

**A bill to amend the Safe Drinking Water Act Amendments of 1996 to  
modify the grant program to improve sanitation in rural and  
Native villages in the state of Alaska**

*As ordered reported by the Senate Committee on Environment and Public Works  
on July 20, 2005*

**SUMMARY**

S. 1409 would amend the grant program for rural and Native Alaskan villages as provided under the Safe Drinking Water Act Amendments of 1996. Current law authorizes the appropriation of \$40 million each year through 2005 for the Environmental Protection Agency (EPA) to provide grants to the state of Alaska to improve sanitation in rural and Native Alaskan villages. S. 1409 would increase and extend this authority to \$45 million annually through 2010. (That level is equal to the amount appropriated for the program in 2005.)

EPA would use the funds to provide grants to improve public water and wastewater systems and establish educational programs for the management of sanitation services in Alaska. CBO estimates that implementing S. 1409 would cost \$192 million over the 2006-2010 period, assuming appropriation of the authorized amounts.

Enacting this bill would not affect direct spending or receipts. S. 1409 contains no intergovernmental or new private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit local and tribal governments within the state of Alaska; any costs they incur would result from complying with conditions for receiving federal assistance.

## ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1409 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment). For this estimate, CBO assumes the full amounts authorized will be appropriated each year, and that spending will follow historical costs for this program.

	By Fiscal Year, in Millions of Dollars					
	2005	2006	2007	2008	2009	2010
<b>SPENDING SUBJECT TO APPROPRIATION</b>						
Spending Under Current Law for Rural and Native						
Alaskan Drinking Water Grants						
Budget Authority <sup>a</sup>	45	0	0	0	0	0
Estimated Outlays	44	22	9	2	0	0
Proposed Changes						
Authorization Level	0	45	45	45	45	45
Estimated Outlays	0	23	36	43	45	45
Spending Under S. 1409 for Rural and Native						
Alaskan Drinking Water Grants						
Authorization Level <sup>a</sup>	45	45	45	45	45	45
Estimated Outlays	44	45	45	45	45	45

a. The 2005 level is the amount appropriated that year to EPA under the Safe Drinking Water Act Amendments of 1996 for grants to improve sanitation in rural and Native Alaskan villages.

## INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1409 contains no intergovernmental or new private-sector mandates as defined in UMRA. The bill would benefit local and tribal governments within the state of Alaska by authorizing grants to improve sanitation in rural communities and Native villages. Any costs they incur, including matching funds, would result from complying with conditions for receiving federal assistance.

**ESTIMATE PREPARED BY:**

Federal Costs: Susanne Mehlman and Jimin Chung

Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum

Impact on the Private Sector: Alicia Handy

**ESTIMATE APPROVED BY:**

Peter Fontaine

Deputy Assistant Director for Budget Analysis