



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 12, 2007

H.R. 700

Healthy Communities Water Supply Act of 2007

*As ordered reported by the House Committee on Transportation and Infrastructure
on February 7, 2007*

SUMMARY

CBO estimates that implementing this legislation would cost \$86 million over the 2007-2012 period, assuming appropriation of the authorized amount. H.R. 700 would authorize an Environmental Protection Agency program to provide grants to states, interstate and intrastate water resource development agencies, local government agencies, private utilities, and nonprofit entities to develop projects that would enhance water supplies by reusing or treating wastewater. This legislation would authorize the appropriation of \$125 million for a pilot program without any fiscal-year limitation. Enacting the bill would not affect direct spending or revenues.

H.R. 700 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that the bill will be enacted in fiscal year 2007 and that the amount authorized will be appropriated over the 2007-2011 period. Estimated outlays are based on historical spending patterns of similar grant programs. The estimated budgetary impact of H.R. 700 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	2012

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	25	25	25	25	25	0
Estimated Outlays	1	5	13	20	24	23

NOTE: The pilot program that would be authorized by this bill has not been previously funded.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 700 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this bill would benefit states receiving grant funding. Those grants require a nonfederal cost-share of at least 50 percent. Because that requirement would be a condition for receiving federal assistance, it would not be a mandate under UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Susanne S. Mehlman
 Impact on State, Local, and Tribal Governments: Lisa Ramirez-Branum
 Impact on the Private Sector: Amy Petz

ESTIMATE APPROVED BY:

Peter H. Fontaine
 Deputy Assistant Director for Budget Analysis