

H.R. 1162, Water Recycling Investment and Improvement Act

As ordered reported by the House Committee on Natural Resources on March 11, 2020

By Fiscal Year, Millions of Dollars	2021	2021-2025	2021-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	60	445	500
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 1162 would authorize the appropriation of \$500 million for a competitive grant program to fund water recycling and reuse projects and would make the program permanent. The bill would require the authorized amount to be appropriated before the end of 2025, but otherwise does not specify the year in which any appropriation should be provided.

For this estimate, CBO has assumed that the Congress would provide \$100 million a year from 2021 through 2025. On that basis, and using information from the Bureau of Reclamation (BOR), CBO estimates that implementing H.R. 1162 would cost \$445 million over the 2021-2025 period. The remaining funds would be spent within a few years after 2025. The costs of the legislation, detailed in Table 1, fall within budget function 300 (natural resources and environment).

Table 1.
Estimated Increases in Spending Subject to Appropriation Under H.R. 1162

	By Fiscal Year, Millions of Dollars					
	2021	2022	2023	2024	2025	2021-2025
Authorization ^a	100	100	100	100	100	500
Estimated Outlays	60	85	100	100	100	445

a. The bill would authorize the appropriation of \$500 million by 2025, but not specify how much should be appropriated in any fiscal year. Using information from the Bureau of Reclamation, CBO has estimated those amounts for each fiscal year through 2025.



Through 2019, the program had received appropriations totaling \$50 million and most of those funds have been expended. Since 2016, about 50 projects have been identified by BOR, which administers the program, as eligible to compete for grants. If all of those projects were funded, the federal share of costs would total nearly \$700 million. Under current law, BOR may accept proposals until the program expires in December 2021.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director for Budget Analysis.