



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

February 7, 2008

**H.R. 1662
Bureau of Reclamation Site Security Costs Act of 2007**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on January 30, 2008*

Since the terrorist attacks of September 11, 2001, the Bureau of Reclamation has enhanced security at its dams and associated facilities. The costs of those security measures fall into two general categories: capital costs, including improvements to physical infrastructure, and operation and maintenance (O&M) costs, such as increasing the number of guards and patrols at the dams and facilities. Under current law, entities that purchase water and hydroelectric power associated with the operation of those dams and facilities must reimburse the bureau for a portion of its O&M costs.

H.R. 1662 would limit the total amount of security-related O&M costs that such entities would pay to \$18.9 million a year, adjusted annually for inflation. The bureau expects to charge the entities no more than that amount, adjusted for inflation, over the next 10 years under current law. Thus, CBO estimates that enacting the legislation would have no significant impact on the budget.

H.R. 1662 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Tyler Kruzich. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.