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107TH CONGRESS }
2d Session }

SENATE

{ REPORT
107-325

A BILL TO AUTHORIZE THE PROJECT FOR HURRICANE AND STORM DAMAGE REDUCTION, MORGANZA, LOU- ISIANA TO THE GULF OF MEXICO, MISSISSIPPI RIVER AND TRIBUTARIES

NOVEMBER 4, 2002.—Ordered to be printed

Filed, under the authority of the order of the Senate of October 17, 2002

Mr. JEFFORDS, from the Committee on Environment and Public
Works, submitted the following

REPORT

[to accompany S. 2975]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred a bill (S. 2975) to authorize the project for hurricane and storm damage reduction, Morganza, Louisiana, to the Gulf of Mexico, Mississippi River and Tributaries, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

GENERAL STATEMENT AND BACKGROUND

Projects and project modifications are ready for authorization by Congress after they have completed a reconnaissance and a feasibility study and received a positive recommendation from the Chief of Engineers in the form of a completed, signed Chief's Report. The project authorized by S. 2975 has met these requirements. This bill authorizes a project for hurricane and storm damage reduction, Morganza, Louisiana, to the Gulf of Mexico, Mississippi River and Tributaries.

The project area is located in south Louisiana between the Mississippi and Atchafalaya rivers. This project will authorize construction of hurricane protection in an area where hurricanes and

tropical storms cause widespread flooding of residential and commercial property in the study area. It involves construction of levees, water control structures, and other features. The Chief's Report was completed in August 2002, and the project received a favorable recommendation.

OBJECTIVES OF THE LEGISLATION

S. 2975 authorizes the project.

SECTION-BY-SECTION ANALYSIS

Section 1. Morganza, Louisiana, to the Gulf of Mexico, Mississippi River and Tributaries

S. 2975 authorizes the project for hurricane and storm damage reduction at a total cost of \$680,000,000 with an estimated Federal cost of \$442,000,000 and an estimated non-Federal cost of \$238,000,000.

LEGISLATIVE HISTORY

Senators Breaux and Landrieu introduced S. 2975 on September 19, 2002. The bill was referred to the Committee on Environment and Public Works. No hearing was held on the bill. The committee considered the bill in a business meeting on September 26, 2002 and ordered the bill reported to the Senate.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S. 2975 on September 26, 2002. The committee favorably reported the bill by voice vote. Senators Smith and Voinovich recorded a "no" vote.

REGULATORY IMPACT STATEMENT

The bill does not create any additional regulatory burdens, nor will it cause any adverse impact on the personal privacy of individuals.

MANDATES ASSESSMENT

In compliance with the Unfunded Mandates Reform Act of 1995 (Public Law 104-4), the committee finds that S. 2975 would impose no unfunded mandates on State, local, or tribal governments.

COST OF LEGISLATION

Section 403 of the Congressional Budget and Impoundment Control Act requires that a statement of the cost of the reported bill, prepared by the Congressional Budget Office, be included in the report. That statement follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, October 7, 2002.

Hon. JAMES M. JEFFORDS, *Chairman,*
Committee on Environment and Public Works,

U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 2975, A bill to authorize the project for hurricane and storm damage reduction, Morganza, Louisiana, to the Gulf of Mexico, Mississippi River and Tributaries..

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Julie Middleton, who can be reached at 226–2860.

Sincerely,

DAN L. CRIPPEN.

S. 2975, A bill to authorize the project for hurricane and storm damage reduction, Morganza, Louisiana, to the Gulf of Mexico, Mississippi River and Tributaries, as ordered reported by the Senate Committee on Environment and Public Works on September 26, 2002

Summary

S. 2975 would authorize the Secretary of the Army through the U.S. Army Corps of Engineers to construct a system of levees, locks and floodgates designed to protect coastal Louisiana from storm damage. This project also would include the creation and protection of tidal wetlands. The bill would authorize a total project cost of \$680 million (in 2001 dollars) that could be adjusted for inflation. Under this bill, the Federal share of the cost would be \$442 million and the nonFederal share of the cost would be \$238 million.

Assuming appropriation of the necessary amounts, including adjustments for anticipated inflation, CBO estimates that the Federal costs for implementing S. 2975 would total about \$48 million over the 2003–2007 period, and an additional \$523 million after that period. Enacting S. 2975 would not affect direct spending or revenues.

S. 2975 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. The Federal assistance authorized by this bill would benefit any State and local governments choosing to participate in this project. Any costs they would incur to comply with the conditions of this assistance, including matching requirements, would be voluntary.

Estimated Cost to the Federal Government

The estimated budgetary impact of S. 2975 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

	2003	2004	2005	2006	2007
CHANGES IN SPENDING SUBJECT TO APPROPRIATION ¹					
Estimated Authorization Level	5	12	12	13	13
Estimated Outlays	3	8	11	13	13

¹ Most of the Federal Government's \$571 million in costs for this storm damage project would occur after 2007.

Basis of Estimate

For this estimate, CBO assumes that S. 2975 will be enacted near the beginning of fiscal year 2003 and that amounts will be appropriated to meet the anticipated construction schedule for the project. Based on information from the Army Corps of Engineers, CBO estimates that constructing this storm damage reduction project would cost about \$48 million over the 2003–2007 period, including adjustments for anticipated inflation, and an additional \$523 million after that period. (Those amounts represent the Federal share of the project's cost.)

Intergovernmental and Private-Sector Impact

S. 2975 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on State, local, or tribal governments. The Federal assistance authorized by this bill would benefit any State and local governments choosing to participate in this project. Any costs they would incur to comply with the conditions of this assistance, including matching requirements, would be voluntary.

Estimate Prepared By: Federal Costs: Julie Middleton; Impact on State, Local, and Tribal Governments: Marjorie Miller; Impact on the Private Sector: Lauren Marks.

Estimate Approved By: Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CHANGES IN EXISTING LAW

Section 12 of rule XXVI of the Standing Rules of the Senate requires the committee to publish changes in existing law made by the bill as reported. Passage of this bill will make no changes to existing law.

