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SENATE

{ REPORT
{ 107-328

A BILL TO AUTHORIZE THE PROJECT FOR ENVIRONMENTAL RESTORATION AT SMITH ISLAND, MARYLAND

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

together with

MINORITY VIEWS

[to accompany S. 2984]

[Including cost estimate of the Congressional Budget Office]

The Committee on Environment and Public Works, to which was referred a bill (S. 2984) to authorize the project for environmental restoration at Smith Island, Maryland having considered the same, reports favorably 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. 2984 has a completed, signed Chief's Report and has received a positive recommendation. This bill authorizes a project for environmental restoration at Smith Island, Maryland.

This project is located in the Chesapeake Bay on Smith Island, located about 95 miles south of Baltimore. The island straddles the

Maryland-Virginia State line, but all of the population and all project features are on the Maryland side. Smith Island is comprised of 97 percent emergent wetlands. The project area is within the largest contiguous submerged aquatic vegetation (SAV) bed in the Bay. This area has experienced continual decrease in coverage of SAV. It is believed that this is due in part to erosion taking place on Smith Island. In the last 150 years, Smith Island lost over 3300 acres of wetlands. Between 1992 and 1998, it lost almost 2400 acres. This project will protect and restore lost wetlands through the construction of offshore breakwaters, which will protect Smith Island from erosion. The Chief's Report was completed in October 2001, and the project received a favorable recommendation.

OBJECTIVES OF THE LEGISLATION

S. 2984 authorizes the project.

SECTION-BY-SECTION ANALYSIS

Section 1. Smith Island, Maryland

This section authorizes the project at a cost of \$7,400,000 with an estimated Federal cost of \$4,800,000 and a non-Federal cost of \$2,600,000.

LEGISLATIVE HISTORY

Senators Sarbanes and Mikulski introduced S. 2984 on September 19, 2002. The bill was referred to the Committee on Environment and Public Works. The Committee considered the bill in a business meeting on September 26, 2002 and ordered the bill reported to the Senate.

This type of project authorization bill would normally be included in a Comprehensive Water Resources Development Act (WRDA). However, the Administration did not submit a WRDA proposal to Congress this year for the first time since 1986. In the absence of a WRDA bill, the Committee passed S. 2984 to ensure that this project which has met requirements to be authorized can move forward.

ROLLCALL VOTES

The Committee on Environment and Public Works met to consider S. 2984 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. 2984 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. 2984, a bill to authorize a project for environmental restoration at Smith Island, Maryland.

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. 2984, A bill to authorize a project for environmental restoration at Smith Island, Maryland, as ordered reported by the Senate Committee on Environment and Public Works on September 26, 2002

Summary

S. 2984 would authorize the Secretary of the Army through the U.S. Army Corps of Engineers to conduct an environmental restoration project on Smith Island in the Chesapeake Bay. This project would be designed to protect the shoreline, restore wetlands, and control erosion. The bill would authorize a total project cost of \$7.4 million (in 2000 dollars) that could be adjusted for inflation. Under this bill, the Federal share of the cost would be \$4.8 million and the non-Federal share of the cost would be \$2.6 million.

Assuming appropriation of the necessary amounts, including adjustments for anticipated inflation, CBO estimates that the Federal cost for implementing S. 2984 would total about \$5 million over the 2003-2007 period. Enacting S. 2984 would not affect direct spending or revenues.

S. 2984 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. 2984 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					
Estimated Authorization Level	0	2	2	1	0
Estimated Outlays	0	1	2	2	0

Basis of Estimate

For this estimate, CBO assumes that S. 2984 will be enacted in fiscal year 2003 and that amounts will be appropriated to meet the Corps' anticipated construction schedule for the project. Based on information from the Army Corps of Engineers, CBO estimates that implementing S. 2984 would cost about \$5 million over the 2003–2007 period, including adjustments for anticipated inflation. (That amount reflects the Federal share of the project's cost.)

Intergovernmental and Private-Sector Impact

S. 2984 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.

MINORITY VIEWS OF SENATORS SMITH AND VOINOVICH

While we understand that this project would have met committee criteria if it were under consideration for the biennial Water Resources Development Act, we oppose its passage as freestanding legislation. Given the lack of a Water Resources Development Act (WRDA) of 2002, we think it is a bad precedent to set for the Committee to authorize projects piecemeal, regardless of the favorable status of the Chief of Engineer's report. It is our belief that proceeding in this manner undermines the WRDA process and could result in its ultimate collapse. Furthermore, authorizing this project outside the context of a WRDA bill reduces the possibility of pursuing key policy provisions.

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.

