



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 26, 1997

S. 587

**A bill to require the Secretary of the Interior to exchange certain
lands located in Hinsdale County, Colorado**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on September 24, 1997*

CBO estimates that enacting this bill would have no significant impact on the federal budget. Because S. 587 could affect direct spending, pay-as-you-go procedures would apply; however, CBO estimates that any such effects would be negligible. S. 587 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would have no significant impact on the budgets of state, local, or tribal governments.

S. 587 would require the Secretary of the Interior to convey about 560 acres of federal land to Lake City Ranches, Ltd. (LCR), if LCR conveys to the federal government land of equal value that is acceptable to the Secretary. The bill would require LCR to cover the costs of any appraisals or other reviews required to complete the exchange, but also provides that the costs of such appraisals and reviews may be credited against the value of the federal land to be acquired by LCR. Because there may be some grazing and right-of-way permits on the federal land to be exchanged, enacting S. 587 could have a small effect on offsetting receipts to the government. Based on information from the Bureau of Land Management (BLM), CBO estimates that any such budgetary effects would be negligible.

According to BLM, the provisions of S. 587 could be implemented through administrative action except that under current law about 440 acres of the federal land are designated as a wilderness study area (WSA). Enacting this bill would require the Secretary to convey the federal land despite its WSA status, thereby allowing the land exchange to go forward. The bill would make the exchange contingent upon LCR granting to the Secretary a permanent conservation easement on the 440 acres of federal land that currently have WSA status.

The CBO staff contact for this estimate is Victoria V. Heid. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.