



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

February 24, 2000

H.R. 834 **National Historic Preservation Act Amendments of 1999**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on February 10, 2000*

SUMMARY

H.R. 834 would authorize annual transfers of \$150 million to the Historic Preservation Fund (HPF) through 2005. Amounts transferred would come from receipts earned from oil and gas development on the Outer Continental Shelf. Authority to transfer this amount to the HPF expired at the end of fiscal year 1997. The National Park Service makes grants to the National Trust for Historic Preservation, to state, local, and tribal governments, and to nonprofit and other organizations with amounts appropriated from the HPF. The act also would authorize the appropriation of \$4 million a year through 2005, for the Advisory Council on Historic Preservation. This sum is currently authorized to be appropriated (from the general fund of the U.S. Treasury) through fiscal year 2000.

Assuming appropriation of the amounts deposited into the HPF each year, and assuming appropriation of the authorized amounts for the Advisory Council on Historic Preservation, CBO estimates that implementing H.R. 834 would result in additional discretionary spending of nearly \$600 million over the 2000-2005 period. (About \$170 million would be spent in subsequent years.)

The legislation would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 834 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). State and local governments would probably incur some costs to match the funds authorized by the bill, but these costs would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The \$150 million to be deposited into the HPF under H.R. 834 is the same amount that was deposited to the fund annually from 1980 through 1997, but is significantly greater than the

\$75 million appropriated for 2000. In recent years, annual appropriations for the advisory council have been about \$3 million. The estimated budgetary impact of H.R. 834 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					
	2000	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law						
Budget Authority ^a	78	0	0	0	0	0
Estimated Outlays	75	45	23	4	0	0
Proposed Changes						
Authorization Level	0	154	154	154	154	154
Estimated Outlays	0	49	94	147	154	154
Spending Under H.R. 834						
Authorization Level ^a	78	154	154	154	154	154
Estimated Outlays	75	94	117	151	154	154

a. The 2000 level includes \$75 million appropriated from the HTF and \$3 million appropriated for the Advisory Council on Historic Preservation.

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that the entire amounts transferred to the HPF and authorized for the advisory council under H.R. 834 will be appropriated for each fiscal year. Outlay estimates are based on historical spending patterns for council activities and HPF programs adjusted to account for anticipated delays in finding matching shares for certain grants because of the large increase in spending that would be authorized by this bill. This estimate does not include any potential spending from current balances in the HPF that have not yet been appropriated. Such funds—about \$2.1 billion—remain available for appropriation.

Other provisions of H.R. 834, which would amend the National Historic Preservation Act, would have no impact on the federal budget.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 834 contains no intergovernmental mandates as defined in UMRA. Under current law, historic preservation grants to states must be matched by nonfederal funds equal to at least 40 percent of total spending. Any spending by state and local governments to match the funds authorized by this bill would be voluntary.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no new private-sector mandates as defined in UMRA.

PREVIOUS CBO COST ESTIMATE

On July 16, 1999, CBO prepared a cost estimate for H.R. 834, a bill to extend the authorization for the National Historic Preservation Fund, as ordered reported by the House Committee on Resources on June 30, 1999. The difference in the estimated costs of the two versions of this legislation reflect new assumptions regarding the date of enactment.

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