



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 3, 2000

H.R. 3417

Pribilof Islands Transition Act

As ordered reported by the House Committee on Resources on March 15, 2000

SUMMARY

Assuming appropriation of the necessary amounts, CBO estimates that implementing H.R. 3417 would cost the federal government about \$67 million over the next five years. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 3417 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would benefit local governments and native corporations of the Pribilof Islands by authorizing funds for financial assistance, environmental cleanup, and construction of new facilities.

H.R. 3417 would authorize the appropriation of a total of \$58 million over the next three fiscal years. Under the bill, the National Oceanic and Atmospheric Administration (NOAA) would pay \$28 million in 2001 for financial assistance to local governments and native corporations of the Pribilof Islands in Alaska. NOAA would use \$10 million annually for fiscal years 2001, 2002, and 2003 to finish environmental cleanup of the islands. Up to \$2 million annually (of the \$10 million) could be provided to Alaska to capitalize a revolving fund, which would be used to finance loans to local governments for cleanup of other environmental problems. In addition to the \$58 million specifically authorized to be appropriated, the bill would authorize the appropriation of whatever sums are necessary for the development and construction of solid waste management facilities on the islands.

Other provisions of H.R. 3417 address the disposal of federal property on the islands (which is already authorized under existing law) and limit the federal government's liability and responsibility for previous and future actions. CBO estimates that these provisions would have no impact on the federal budget.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3417 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				
	2001	2002	2003	2004	2005
SPENDING SUBJECT TO APPROPRIATION					
Estimated Authorization Level	40	17	10	0	0
Estimated Outlays	37	16	10	3	1

BASIS OF ESTIMATE

For purposes of this estimate, CBO assumes that H.R. 3417 will be enacted during fiscal year 2000 and that the entire amounts specifically authorized or estimated to be necessary will be appropriated for each fiscal year beginning in 2001. In each year, the authorization levels include \$10 million for environmental cleanup as authorized by section 7. The 2001 authorization level includes the entire \$28 million specified for local assistance and an estimated \$2 million for planning and design of solid waste facilities. The 2003 authorization level includes \$7 million for construction of these facilities. The \$9-million total cost of this project is estimated on the basis of information provided by NOAA. We assume that the agency would transfer this amount to the state, which would carry out the project, in two payments.

Outlays for environmental cleanup have been estimated on the basis of historical patterns for similar activities. Outlays for local financial assistance and funding for the solid waste facility are assumed to be paid directly to state and local authorities in the year appropriated.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3417 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would benefit local governments and native corporations of the Pribilof Islands by authorizing funds for financial assistance, environmental cleanup, and construction of new facilities. The bill would impose no costs on any other state, local, or tribal governments.

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