



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

March 30, 2000

**S. 1936**  
**Bend Pine Nursery Land Conveyance Act**  
*As ordered reported by the Senate Committee on Energy and Natural Resources  
on February 23, 2000*

S. 1936 would authorize the Secretary of Agriculture to sell or exchange certain lands and facilities located on several National Forests in Oregon. According to the Forest Service, those properties currently generate no significant receipts, and the agency does not expect them to generate any significant receipts over the next 10 years. The bill would authorize the Secretary to spend, without further appropriation, proceeds from the sale of these properties to construct a new administrative facility and a new bunkhouse. If receipts are insufficient to cover the costs of constructing the new facilities, S. 1936 would authorize the appropriation of sums necessary to complete the projects.

Allowing the Forest Service to collect and spend receipts from the sale of property would affect direct spending; thus, pay-as-you-go procedures would apply. Based on information from the agency, CBO estimates that enacting this legislation would increase both offsetting receipts (a credit against direct spending) and the spending of such collections by as much as \$6 million over the 2002-2003 period as shown in the following table. We estimate that the sales would occur during fiscal years 2002 and 2003, and that receipts would be offset by a corresponding increase in direct spending for construction during that period.

	By Fiscal Year, in Millions of Dollars					
	2000	2001	2002	2003	2004	2005
<b>CHANGES IN DIRECT SPENDING</b>						
Receipts from Property Sales	0	0	-4	-2	0	0
Spending of Receipts	<u>0</u>	<u>0</u>	<u>1</u>	<u>5</u>	<u>0</u>	<u>0</u>
Net Changes	0	0	-3	3	0	0

Implementing S. 1936 also could affect discretionary spending. Under current law, the Forest Service spends about \$1 million each year to rent the administrative site currently used for the Deschutes National Forest. Assuming that increased receipts are sufficient to cover the costs of constructing the new administrative facility authorized under S. 1936 and that the facility is completed by the end of fiscal year 2003, implementing this bill could reduce the need for future appropriations and reduce discretionary spending by \$1 million annually starting in 2004.

S. 1936 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. Any expenditures by state or local governments to purchase forest system land, as authorized by this bill, would be voluntary.

The CBO staff contacts are Megan Carroll (for federal costs), and Marjorie Miller (for the impact on state, local, and tribal governments). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.