



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 25, 2000

H.R. 4275 **Colorado Canyons National Conservation Area and Black Ridge Canyons Wilderness Act of 2000**

As ordered reported by the House Committee on Resources on July 19, 2000

SUMMARY

H.R. 4275 would establish the Colorado Canyons National Conservation Area on about 122,300 acres of federal land in Colorado and Utah. The bill also would designate the Black Ridge Canyons Wilderness, consisting of about 75,550 acres in those states.

CBO estimates that implementing this bill would cost about \$3 million over the 2001-2005 period, assuming appropriation of the necessary amounts. Because the bill could affect offsetting receipts (a form of direct spending), pay-as-you-go procedures would apply; however, CBO estimates that any such effects would be less than \$500,000 a year. H.R. 4275 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

For this estimate, CBO assumes that H.R. 4275 will be enacted by the end of fiscal year 2000. We also assume that the necessary funds will be appropriated starting in fiscal year 2001 and that outlays will follow the historical spending pattern for similar activities.

Spending Subject to Appropriation

Under H.R. 4275, the Bureau of Land Management (BLM) would administer lands in the proposed conservation and wilderness areas. The bill would direct the Secretary of the Interior to establish an advisory committee and would require BLM to develop, within three

years, a comprehensive management plan for the proposed conservation and wilderness areas in consultation with that committee.

Based on information from BLM, CBO estimates that implementing H.R. 4275 would cost about \$3 million over the 2001-2005 period, assuming appropriation of the necessary funds. That estimate includes the cost of adding staff and administrative services to the area, upgrading and maintaining existing infrastructure and facilities, establishing and operating an advisory committee, and preparing the management plan required by the bill. In addition, based on information from BLM, we estimate that implementing the management plan required by the bill would cost less than \$500,000 a year. According to BLM, the agency does not expect the management plan would require new activities or facilities that would significantly increase federal costs. Because the agency would have three years to develop that plan, we estimate that any spending to implement it would not occur until 2004.

Direct Spending (including offsetting receipts)

H.R. 4275 would withdraw federal land in the proposed conservation and wilderness areas, as well as federal land between the boundary of the conservation area and the high-water mark of the Colorado River, from mining, mineral leasing, and geothermal leasing, subject to valid existing rights. Enacting those provisions could result in forgone receipts from those lands over the next five years if, under current law, the land would generate receipts from mineral and geothermal development. Based on information from BLM, however, we estimate that any such receipts would total less than \$500,000 each year.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Because provisions in H.R. 4275 that would withdraw certain lands from mining, mineral leasing, and geothermal leasing could affect offsetting receipts, pay-as-you-go procedures would apply. CBO estimates, however, that any such effects would not be significant.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4275 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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