



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 18, 2000

H.R. 4613 **National Historic Lighthouse Preservation Act of 2000**

As ordered reported by the House Committee on Resources on September 13, 2000

Subject to future appropriation actions, implementing H.R. 4613 could reduce the costs to the United States Coast Guard (USCG) of operating and maintaining historic lighthouses by a few million dollars annually. Because the bill could affect direct spending (including offsetting receipts), pay-as-you-go procedures would apply. CBO estimates, however, that any such changes in direct spending would not be significant. H.R. 4613 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. State and local governments might incur some costs as a result of the bill's enactment, but such costs would be voluntary.

H.R. 4613 would amend the National Historic Preservation Act to establish a preservation program for historic lighthouses. The General Services Administration (GSA) and the Department of the Interior would be responsible for administering the program, which would collect and disseminate information on historic lighthouses and convey, at no cost, historic lighthouses that are no longer needed. Federal, state, and local agencies, as well as nonprofit organizations, would be eligible to receive the lighthouses reported as excess property, provided that they agree to operate and maintain them, as well as make them accessible to the public for educational, recreational, cultural, or historic preservation purposes, and to the federal government for use in aiding navigation.

Subject to certain conditions, the bill would direct GSA to sell any lighthouse for which a qualified applicant has not been found. Net proceeds from the sale would be made available either to the National Maritime Heritage Grant Program or to the USCG, and could be spent without further appropriation. Because we think it is unlikely the government would sell a lighthouse under H.R. 4613 (according to GSA and the USCG, the government has sold only one in the last 10 years), as opposed to transferring it at no cost, CBO estimates that enacting the bill would not have any significant impact on direct spending.

According to the USCG, it controls about 350 lighthouses. The cost of operating and maintaining these facilities varies widely, but totals less than \$10 million a year. Under H.R. 4613, the USCG could still use conveyed lighthouses to aid in the navigation of waters,

but would no longer be responsible for maintaining and operating them. Thus, if the legislation increases the conveyance of lighthouses to nonfederal entities, the bill should yield savings to the USCG. Any potential savings, however, would depend on which lighthouses were conveyed and on future appropriation actions.

On June 22, 2000, CBO transmitted a cost estimate for S. 2343, the National Historic Lighthouse Preservation Act of 2000, as ordered reported by the Senate Committee on Energy and Natural Resources on June 7, 2000. These two bills are very similar and their estimated costs are the same.

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