



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 30, 2004

### **H.R. 3427**

### **Craig Recreation Land Purchase Act**

*As ordered reported by the House Committee on Resources on July 14, 2004*

H.R. 3427 would authorize the appropriation of amounts necessary for the Secretary of Agriculture to purchase roughly 350 acres of land from the city of Craig, Alaska, for inclusion in the Tongass National Forest. The bill also would authorize the Secretary to make an additional payment to the city of up to \$100,000 if proceeds from the sale of its land to the federal government are insufficient to pay for the city's cost to acquire certain other private land. In addition, the bill would authorize the appropriation of \$250,000 for the Forest Service to reconstruct a trail through the acquired land.

Based on information from the Forest Service about the value of municipal and private land involved in the proposed transactions, CBO estimates that implementing H.R. 3427 would cost \$1.1 million in 2005, assuming the availability of appropriated funds. That amount includes a total of \$850,000 in payments to the city of Craig—\$750,000 for the cost of acquiring the city's land and \$100,000 for the additional payment authorized by the bill. Our estimate of spending also includes \$250,000 to reconstruct the Sunnahae Trail.

H.R. 3427 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. The purchase authorized by this bill would be voluntary on the part of the city, as would be any associated expenses.

On May 5, 2004, CBO transmitted a cost estimate for S. 1778, similar legislation, as ordered reported by the Senate Committee on Energy and Natural Resources on April 28, 2004. Our estimates of the cost of acquiring land from the city of Craig and reconstructing the Sunnahae Trail are the same under both bills. Because H.R. 3427 would authorize an additional payment to the city, our estimate of total spending under that bill is \$100,000 more than our estimate of spending under S. 1778.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis