



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 21, 2005

**H.R. 1905
Small Tracts Reform Act**

As ordered reported by the House Committee on Resources on May 18, 2005

CBO estimates that enacting H.R. 1905 would not significantly affect the federal budget. The bill could affect direct spending, but we estimate that any such effects would be negligible. Enacting H.R. 1905 would not affect revenues. H.R. 1905 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

The Small Tracts Act authorizes the Forest Service to sell or exchange small parcels of federal land that meet certain criteria. H.R. 1905 would expand those criteria to allow the agency to sell or exchange larger, more valuable parcels under certain circumstances. By allowing the agency to sell more valuable land, H.R. 1905 could result in an increase in offsetting receipts from the sale of such land. However, based on information from the Forest Service, CBO expects that most transactions under H.R. 1905 would be completed through exchanges of equally valued land rather than sales. Therefore, we estimate that any change in offsetting receipts (a credit against direct spending) would not exceed \$500,000 in any year.

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