



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 16, 2006

S. 1378

National Historic Preservation Act Amendments Act of 2006

*As ordered reported by the Senate Committee on Energy and Natural Resources
on March 8, 2006*

SUMMARY

S. 1378 would extend the authority to make annual deposits of \$150 million to the Historic Preservation Fund (HPF) through fiscal year 2015. Authority to make those deposits of receipts earned from oil and gas development on the Outer Continental Shelf into the HPF expired at the end of fiscal year 2005. The National Park Service (NPS) uses amounts appropriated from the HPF for grants to state, local, and tribal governments, nonprofit organizations, and other entities.

The bill also would authorize the appropriation of whatever amounts are necessary for each year to the Advisory Council on Historic Preservation (ACHP). Authority for this funding—at a specified annual level of \$4 million—also expired at the end of 2005. Appropriations to ACHP are derived from the general fund of the U.S. Treasury.

Assuming appropriation of the amounts deposited into the HPF each year, and assuming appropriation of the amounts estimated to be necessary for ACHP, CBO estimates that implementing S. 1378 would cost about \$500 million over the 2007-2011 period. Enacting this legislation would not affect direct spending or revenues.

S. 1378 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

The estimated budgetary impact of S. 1378 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					
	2006	2007	2008	2009	2010	2011
SPENDING SUBJECT TO APPROPRIATION						
Spending Under Current Law for Historic Preservation						
Budget Authority ^a	77	0	0	0	0	0
Estimated Outlays	79	52	26	14	7	3
Proposed Changes						
Spending of Deposits to HPF						
Estimated Authorization Level	0	150	150	150	150	150
Estimated Outlays	0	37	70	95	120	150
Advisory Council on Historic Preservation						
Estimated Authorization Level	0	5	5	5	6	6
Estimated Outlays	0	5	5	5	6	6
Spending Under S. 1378 for Historic Preservation						
Estimated Authorization Level	77	155	155	155	156	156
Estimated Outlays	79	94	101	114	133	159

a. The 2006 level is the amount appropriated for that year, including \$72 million to the NPS from the HPF and nearly \$5 million to ACHP.

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1378 will be enacted by the start of fiscal year 2007 and that the entire \$150 million that would be transferred to the HPF each year under the bill will be appropriated in full beginning in that year. Annual deposits to the HPF have been at the \$150 million level since 1980, but the amounts typically appropriated from the fund are substantially lower. CBO expects that more than doubling the size of the historic preservation program (from the recent appropriation level of a little over \$70 million a year) would initially lead to delays in processing grants and in raising funds for nonfederal matching shares. As a result, outlays would likely lag behind appropriations significantly over the next few years.

The estimated authorization levels for ACHP operations are based on the current appropriation of nearly \$5 million for 2006, adjusted annually for anticipated inflation. Outlay estimates are based on historical spending patterns for these activities.

Other provisions of S. 1378, which would amend the National Historic Preservation Act, would have no significant impact on the federal budget.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1378 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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