



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

July 30, 2007

**H.R. 1011  
Virginia Ridge and Valley Act of 2007**

*As ordered reported by the House Committee on Natural Resources on June 28, 2007*

H.R. 1011 would designate several wilderness, wilderness study, potential wilderness, and scenic areas on approximately 50,000 acres of federal lands within the Jefferson National Forest in Virginia. Under the bill, the Forest Service would develop management plans for the proposed scenic areas within the next two years. Finally, the legislation would prohibit timber harvesting and new mineral leasing within the scenic areas.

Based on information provided by the Forest Service, CBO estimates that implementing H.R. 1011 would cost approximately \$3 million over the 2008-2012 period, assuming appropriation of the necessary amounts. Of this amount, \$2 million would be used by the agency for planning, marking the newly designated areas, developing trails, and preparing legal descriptions and maps. The remaining \$1 million would be spent over the next five years to administer the new areas.

Designating federal lands as wilderness could result in forgone offsetting receipts if, under current law, those lands would generate income from activities such as timber harvesting and mining. According to the Forest Service, the lands affected by H.R. 1011 currently generate no significant receipts but do contain timber valued at \$2 million that may be harvested in the future. Such sales proceeds can be spent by the Forest Service without further appropriation. Thus, CBO estimates that enacting this legislation could affect both offsetting receipts and direct spending, but we estimate that the net effect of any changes would be negligible over the next 10 years. Enacting the bill would not affect revenues.

H.R. 1101 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 CBO staff contacts for this estimate are Deborah Reis and David Reynolds. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.