CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

December 4, 2014

H.R. 4220
School District 318 Land Exchange Act

*As ordered reported by the House Committee on Natural Resources
on November 19, 2014*

H.R. 4220 would require the United States Geological Survey (USGS) to exchange, at the request of a school district in Minnesota, 1.3 acres of federal land for 1.6 acres of land owned by the district. Under the bill, if the value of the federal land exceeds the value of the lands owned by the district, the district would be required to make a cash payment to USGS to make up the difference.

Based on information regarding the cost of conducting similar land exchanges and assuming the availability of appropriated funds, CBO estimates that implementing the legislation would cost less than $20,000. CBO also estimates that enacting the legislation would increase offsetting receipts, which are treated as reductions in direct spending; therefore, pay-as-you-go procedures apply. However, we estimate that any increase in offsetting receipts under the bill would total less than $10,000. Enacting H.R. 4220 would not affect revenues.

Formal appraisals of the properties that are the subject of this legislation have not been completed. Based on information regarding the value of similar parcels, CBO estimates that the affected land has values between $15,000 and $25,000. The parcel owned by the USGS contains a large machine shed. Based on information from the USGS regarding the age and condition of the shed, we estimate that the total value of the federal property would exceed the value of the land owned by the district by less than $10,000.

H.R. 4220 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit a school district in Minnesota. Any costs to the district resulting from the land exchange would be incurred voluntarily.

The CBO staff contact for this estimate is Jeff LaFave. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.