



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

April 17, 2014

H.R. 4309

A bill to amend the Sikes Act to make certain improvements to the administration of cooperative agreements for land management related to Department of Defense readiness activities, and for other purposes

As ordered reported by the House Committee on Natural Resources on April 9, 2014

H.R. 4309 would amend the Sikes Act to allow the Department of Defense (DoD) to provide lump-sum payments to nonfederal entities that enter into cooperative agreements to maintain and improve natural resources at certain military sites. The bill also would allow those entities to invest funds provided to carry out those activities. Finally, the bill would require DoD to conduct annual audits of each project carried out under the Sikes Act.

CBO estimates that changing the method of payment to nonfederal entities would have no significant effect on the federal budget. Based on information regarding the number of projects carried out under the Sikes Act each year, CBO also estimates that performing the annual audits of those projects would cost less than \$500,000 a year. Enacting H.R. 4309 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 4309 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.

On June 7, 2013, CBO transmitted a cost estimate for H.R. 1080, a bill to amend the Sikes Act to promote the use of cooperative agreements under such act for land management related to Department of Defense Readiness activities and to amend title 10, United States Code, to facilitate interagency cooperation in conservation programs to avoid or reduce adverse impacts on military readiness activities, as ordered reported by the House Committee on Natural Resources on May 15, 2013. The two bills are similar, and the CBO cost estimates are the same.

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