



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 21, 2014

H.R. 5205

Northern Nevada Land Conservation and Economic Development Act

As ordered reported by the House Committee on Natural Resources on July 30, 2014

SUMMARY

H.R. 5205 would require the Bureau of Land Management (BLM) to convey certain federal lands in Nevada to other government entities. The bill also would designate 73,500 acres as wilderness. Finally, the bill would require the Secretary of the Interior to take certain lands into trust for the benefit of the Te-moak Tribe. Based on information provided by the affected agencies and assuming appropriation of the necessary amounts, CBO estimates that implementing the bill would cost less than \$500,000. In addition, CBO estimates that enacting H.R. 5205 would increase offsetting receipts, which are treated as reductions in direct spending, by \$2 million in 2015; therefore, pay-as-you-go procedures apply. Enacting the legislation would not affect revenues.

H.R. 5205 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. Conveyances of federal land authorized in the bill would benefit cities and counties in Nevada. Any costs to those entities would be incurred voluntarily as conditions of land conveyances. The Te-moak Tribe of the Western Shoshone Indians of Nevada would benefit from federal land being taken into trust by the federal government on their behalf.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

Title I, Pine Forest Range Recreation Enhancement Act

Title I would designate 26,000 acres of land in northwest Nevada as the Pine Forest Range Wilderness. The bill also would authorize the Secretary of the Interior to conduct certain land exchanges. Based on information provided by BLM, CBO estimates that implementing title I would have no significant effect on the federal budget.

The acreage to be added to the National Wilderness Preservation System is currently administered by BLM. CBO estimates that no additional resources would be required to manage the affected lands as a result of the new designation. Based on information provided by BLM, CBO expects that certain road modifications required under title I will be made under current law. Finally, we expect that any costs to revise brochures, maps, and signs would be minimal because most such revisions would take place in conjunction with scheduled reprinting and routine maintenance.

In addition, title I would give the Secretary of the Interior the discretion to make certain land exchanges in accordance with an existing resource management plan. Because the Secretary can use existing authorities to complete those land exchanges, CBO expects that any exchanges conducted under the bill will also occur under current law, and thus we estimate that the provision would have no budgetary impact.

Finally, CBO estimates that enacting title I would not affect offsetting receipts because the affected lands are already managed for conservation purposes and are not expected to generate any income in the future.

Title II, Lyon County Economic Development and Conservation Act

Title II would require the Secretary of the Interior to sell, at fair market value, roughly 10,000 acres of federal lands to the city of Yerington, Nevada. Title II also would designate about 47,500 acres in Nevada as wilderness.

Under the bill, the city of Yerington would be required to pay fair market value for the federal lands it acquires. Based on information provided by BLM regarding the appraised value of the affected lands, CBO estimates that proceeds from the sale would total \$2 million in 2015. Those amounts would be deposited in the U.S. Treasury as offsetting receipts. Because the bill would require the city to pay any administrative costs associated with the sale, CBO estimates that completing the land sale would not affect discretionary spending.

Title II also would add 47,500 acres to the National Wilderness Preservation System and withdraw those lands from programs to develop mineral and geothermal resources. Because the affected lands are already protected for conservation and wilderness values, CBO estimates that implementing title II would have no significant effect on the cost of administering those lands. We also expect that any costs to modify existing maps and other materials would be minimal. Finally, because the affected lands currently produce no income (and are not expected to do so in the future), we estimate that enacting title II would not affect offsetting receipts.

Title III, Carlin Economic Self-Determination Act

Title III would require the Secretary of the Interior to convey, without consideration, about 1,400 acres of federal land in Nevada to the city of Carlin. Under the bill, the city would be required to pay for any administrative costs associated with the conveyance. In addition, because the affected lands currently produce no income (and are not expected to do so in the future), we estimate that enacting title III would not affect offsetting receipts.

Title IV, Fernley Economic Self-Determination Act

Title IV would direct the Secretary of the Interior to convey, without consideration, up to 9,400 acres of federal land to the city of Fernley, Nevada. Under the bill, the city would be required to pay for any administrative costs associated with the conveyance. In addition, because the affected lands currently produce no income (and are not expected to do so in the future), we estimate that enacting title III would not affect offsetting receipts.

Title V, Restoring Storey County Act

Title V would require BLM to convey, without consideration, 1,745 acres of federal land to Storey County in Nevada. Because the bill would require BLM to cover any administrative costs associated with the conveyance, CBO estimates that implementing title V would cost less than \$500,000. That estimate is based on information from the agency and assumes appropriation of the necessary amounts. In addition, because the affected lands are expected to generate receipts for the federal government in the future, CBO estimates that conveying those lands would reduce offsetting receipts; however, we estimate that any effects would be minimal.

Title VI, Elko Motocross and Tribal Conveyance Act

Title VI would require the Secretary of the Interior to convey, without consideration, 275 acres of federal land in Nevada to Elko County. Title VI also would require the Department of the Interior to take 373 acres of land currently administered by BLM into trust for the benefit of the Te-moak Tribe. Under the bill, the city would be required to pay for any administrative costs associated with the conveyance. In addition, because the affected lands are expected to generate receipts for the federal government in the future, CBO estimates that conveying those lands would reduce offsetting receipts; however, we estimate that any effects would be minimal.

Title VII, Naval Air Station Fallon Housing and Safety Development Act

Title VII would require the Secretary of the Interior to transfer administrative jurisdiction over 400 acres of land to the Secretary of the Navy. Those lands would be used by the Navy as a housing area. Under current law, the affected lands are subject to a temporary

right-of-way that allows the Navy to use those lands for military purposes. Because CBO expects that those lands would not generate any receipts over the next 10 years, we estimate that enacting title VII would not affect direct spending. In addition, because those lands are already managed by the federal government, we estimate that implementing title VII would not increase federal costs.

PAY-AS-YOU-GO-CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The changes in outlays that are subject to pay-as-you-go procedures are shown in the following table.

CBO Estimate of the Statutory Pay-As-You-Go Effects for H.R. 5205, the Northern Nevada Land Conservation and Economic Development Act, as ordered reported by the House Committee on Natural Resources on July 30, 2014

	By Fiscal Year, in Millions of Dollars												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014-2019	2014-2024
NET INCREASE OR DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	-2	0	0	0	0	0	0	0	0	0	-2	-2

PREVIOUS CBO ESTIMATES

On June 7, 2013, CBO transmitted a cost estimate for S. 342, the Pine Forest Range Recreation Enhancement Act of 2013, as ordered reported by the Senate Committee on Energy and Natural Resources on May 16, 2013. Title I contains provisions similar to those in S. 342, and the estimated costs are the same.

On June 26, 2013, CBO transmitted a cost estimate for S. 159, the Lyon County Economic Development and Conservation Act, as ordered reported by the Senate Committee on Energy and Natural Resources on June 18, 2013. Title II contains provisions similar to those in S. 159, and the estimated costs are the same.

On September 11, 2013, CBO transmitted a cost estimate for H.R. 1168, a bill to direct the Secretary of the Interior, acting through the Bureau of Land Management, to convey to the City of Carlin, Nevada, in exchange for consideration, all right, title, and interest of the United States, to any federal land within that city that is under the jurisdiction of that agency, and for other purposes, as ordered reported by the House Committee on Natural

Resources on July 31, 2013. Title III contains provisions similar to those in H.R. 1168; however, under H.R. 1168, the city would be required to pay fair market value for the affected lands. The CBO cost estimates for those provisions reflect that difference.

On November 14, 2013, CBO transmitted a cost estimate for H.R. 1170, a bill to direct the Secretary of the Interior, acting through the Bureau of Land Management and the Bureau of Reclamation, to convey, by quitclaim deed, to the city of Fernley, Nevada, all right, title, and interest of the United States, to any federal land within that city that is under the jurisdiction of either of those agencies, as ordered reported by the House Committee on Natural Resources on July 31, 2013. Title IV contains provisions similar to those in H.R. 1170; however, under H.R. 1170, the city would be required to pay fair market value for the affected lands. The CBO cost estimates for those provisions reflect that difference.

On May 31, 2013, CBO transmitted a cost estimate of H.R. 1169, the Naval Air Station Fallon Housing and Safety Development Act, as ordered reported by the House Committee on Natural Resources on May 15, 2013. Title VII contains provision similar to those in H.R. 1169, and the estimated costs are the same.

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