



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 8, 2012

### **S. 292** **Salmon Lake Land Selection Resolution Act**

*As ordered reported by the House Committee on Natural Resources  
on February 29, 2012*

#### **SUMMARY**

S. 292 would ratify the Salmon Lake Area Land Ownership Consolidation Agreement that was signed by the federal government, the state of Alaska and the Bering Straits Native Corporation (a native-owned regional corporation established to administer land given to Alaska Natives under the Alaska Native Claims Settlement Act) in 2007. That agreement was to settle a land dispute. Based on information from the Bureau of Land Management (BLM), CBO expects that enacting the legislation would increase offsetting receipts (a credit against direct spending) in 2013; therefore, pay-as-you-go procedures apply. CBO estimates, however, that such effects would be insignificant. The act would not affect revenues.

S. 292 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**

Under the act, the federal government would convey about 18,000 acres of land located in western Alaska to the Bering Straits Native Corporation and the state of Alaska to satisfy claims made by those parties under the Alaska Native Claims Settlement Act and the Alaska Statehood Act, respectively. The federal government currently collects about \$1,500 per year from a lease on the affected land. Those amounts are deposited in an escrow account pending ratification of the agreement. Upon enactment of the legislation, BLM would transfer 90 percent of all receipts collected over the life of the lease (about \$20,000 to date) to the state of Alaska and would deposit the remaining 10 percent of those funds in the U.S. Treasury. Thus, CBO estimates that enacting the legislation would increase offsetting receipts to the Treasury (a credit against direct spending) by about \$2,000 in 2013.

## **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. Enacting S. 292 would result in an insignificant reduction in direct spending over the 2012-2022 period.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 292 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## **PREVIOUS CBO COST ESTIMATE:**

On July 26, 2011, CBO transmitted a cost estimate for S. 292, as ordered reported by the Senate Committee on Energy and Natural Resources on July 14, 2011. The two versions of the legislation are similar and the CBO cost estimates are the same. The cost estimate transmitted on July 26, 2011, did not reflect new information about the deposit of funds into an escrow account pending ratification of the agreement. Because those amounts are in an escrow account, CBO now estimates that enacting S. 292 would result in an insignificant reduction in direct spending, rather than an insignificant increase as reported in our cost estimate of July 26, 2011.

## **ESTIMATE PREPARED BY:**

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