



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 5, 1997

H.R. 2283

Arches National Park Expansion Act of 1997

As ordered reported by the House Committee on Resources on October 22, 1997

CBO estimates that enacting this bill would have no significant impact on the federal budget. Because H.R. 2283 could affect direct spending, pay-as-you-go procedures would apply; however, CBO estimates that any such effects would be insignificant. H.R. 2283 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 and would have no significant impact on the budgets of state, local, or tribal governments. The exchange authorized by this bill would be voluntary on the part of the state of Utah, and any impact on state receipts would be insignificant.

H.R. 2283 would expand Arches National Park in Utah to include an additional 3,140 acres. Most of that land is currently managed by the Bureau of Land Management (BLM), but about 32 acres is owned by the state of Utah as school trust land. To implement the expansion, the bill provides that if Utah offers to convey about 640 acres of state school trust land, including the 32 acres within the proposed addition, to the United States, then the Secretary of the Interior must accept the offer and, in exchange, transfer to the state 639 acres of federal land elsewhere in the same county. The Department of the Interior (DOI) estimates that the lands to be exchanged are of approximately equal value. Once the exchange between BLM and the state is completed, the bill would direct the Secretary to transfer jurisdiction over the 3,140 acres from BLM to the National Park Service (NPS). BLM would manage the 608 acres of land conveyed by the state that is not part of the proposed addition to Arches National Park.

H.R. 2283 would direct the Secretary to continue any current grazing permits in the proposed addition for the life of the permittee and his or her direct descendants. The bill would allow permittees to sell such grazing permits if the purchaser permanently retires the permit. Those provisions could affect direct spending with regard to grazing fee receipts from land in the proposed addition, but according to DOI, current receipts from grazing on the land total less than \$1,000 annually. Therefore CBO estimates that any changes in grazing fee receipts, which are direct spending, would be insignificant.

Because oil and gas leases exist on both the BLM land and the state land proposed for exchange under H.R. 2283, enacting the bill also could affect offsetting receipts from BLM leases, but we estimate that any such changes would be small. According to DOI, the federal government currently receives less than \$2,000 in rental fees each year from oil and gas leases on the 639 acres of BLM land to be conveyed to Utah under the bill. The 640 acres of state land to be conveyed to the United States in exchange for that federal land also include leases generating a similar amount of receipts from rental fees each year. None of the affected leases in the proposed exchange are currently producing or under development for oil or gas production, and the department does not expect development in the next few years. Therefore, CBO estimates that any net effect on receipts from oil and gas leases resulting from the exchange between Utah and the federal government under this bill would be insignificant—at least over the 1998-2002 period.

The CBO staff contacts for this estimate are Victoria V. Heid (for federal costs) and Marjorie Miller (for the impact on state, local, and tribal governments). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.