



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

November 1, 2018

S. 3245

Lake Fannin Conveyance Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on October 2, 2018*

S. 3245 would direct the Forest Service to convey roughly 2,000 acres of federal land to Fannin County, Texas, at fair market value if the county submits a request to purchase the land. CBO expects that under the bill, the county would submit such a request.

Because the bill would require Fannin County to pay all costs associated with the conveyance, CBO estimates that implementing the bill would have no significant effect on spending subject to appropriation.

According to the Forest Service, the affected land currently produces no income from mineral or geothermal leasing or from timber production, and the Forest Service does not expect any such income in the future. Under the bill, proceeds from the conveyance (which would be recorded in the budget as offsetting receipts, or reductions in direct spending) would be deposited into the Treasury; spending of those receipts would be subject to appropriation. Land values for similar tracts in and near Fannin County range from \$2,500 to \$4,500 per acre. On that basis, CBO estimates that enacting S. 3245 would reduce direct spending by \$7 million over the 2019-2028 period.

Because enacting the bill would reduce direct spending, pay-as-you-go procedures apply. Enacting the bill would not affect revenues.

CBO estimates that enacting S. 3245 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

S. 3245 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Janani Shankaran. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.