



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

August 2, 2007

S. 278

National Heritage Areas Partnership Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on July 25, 2007*

S. 278 would provide a framework for establishing new national heritage areas (NHAs); however, none of the activities that would be governed by the bill could be carried out without further authorizing legislation. Congressional action would be required to authorize both the first step in the process to establish a national heritage area, a feasibility study, and the final step, a formal NHA designation. As a result, CBO estimates that enacting S. 278—by itself—would have no effect on the federal budget.

This legislation 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.

Under the bill, once a feasibility study of a potential NHA has been authorized by the Congress, the National Park System would either conduct the study itself or allow one to be undertaken by an interested local entity. Completed and assessed studies would then be submitted to the Congress. If legislation to designate the NHA is enacted and funds are made available, the chosen local coordinating entity for the area would have three years to submit a general management plan to the Secretary of the Interior for approval. Under the bill, once an NHA is created, the Secretary of the Interior must submit a report to the Congress evaluating the NHA and assess the progress of the local coordinating entity in meeting the goals of the management plan.

The bill would set a ceiling for future specific authorizations of appropriations of \$750,000 a year for NHA feasibility studies (no more than \$250,000 annually could be used for any individual NHA study). It would also limit—to \$25 million annually—future authorizations for financial and technical assistance to local coordinating entities; no more than \$1 million could be used for any individual NHA. Such funds (up to \$10 million per NHA over a 15-year period) would be used to develop and implement management plans and administer a national heritage area.

The Secretary could award grants for individual projects at NHAs when funding to local coordinating entities has been terminated 15 years after the initial receipt of financial assistance. In such an instance, a local coordinating entity could receive a maximum of \$250,000 for all projects in any fiscal year and would be required to provide matching funds equal to the amount of the grant. The bill would establish a ceiling for such grants of \$5 million for each fiscal year.

Because the authority to appropriate funds under S. 278 would depend on subsequent acts of the Congress to authorize feasibility studies and designate specific new NHAs, CBO estimates that enacting this legislation alone would have no effect on the federal budget.

The CBO staff contacts for this estimate are Deborah Reis and Leigh Angres. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.