



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

April 2, 1998

S. 633

Petroglyph National Monument Boundary Adjustment Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on March 11, 1998*

S. 633 would authorize the National Park Service (NPS) to purchase state- and city-owned land within the boundaries of Petroglyph National Monument in New Mexico. Under existing law, land within the monument that is owned by state or local governments may only be acquired by donation or exchange. The bill also would remove from the monument's boundaries about 8.5 acres of land owned by the city of Albuquerque. Finally, the bill would give the NPS 180 days to begin negotiations with the city to address problems involving storm water runoff within the monument.

Assuming appropriation of the necessary amounts, CBO estimates that implementing S. 633 would cost the federal government between \$40 million and \$90 million over the next three or four years. Most of the potential costs would be for acquiring up to nearly 4,300 acres of land. The land acquisition costs are very uncertain because they depend on the future decisions of the NPS, the state of New Mexico, and the city of Albuquerque. Assuming that the NPS decides—under S. 633—that it must acquire all land owned by the city and state, and that those governments are not willing to donate any of the property, the federal government would likely spend between \$30 million and \$70 million to buy up to 4,000 acres of public land. (CBO expects that another 640 acres of state trust lands and several tracts of city property would probably be exchanged for federal land under existing authority.) In addition, the NPS would probably buy about 300 acres of private land within the two units of the monument that the city and state currently manage, at a cost of \$10 million to \$20 million. The city and state were planning to purchase this acreage, but it is unlikely that they would do so if the NPS assumes their management responsibilities.

The wide range of possible costs reflects the difficulty of valuing public recreational land and of predicting future negotiations between the sellers and buyer. On the one hand, it is possible that the city and state would be willing to sell their land for what they have spent to date (about \$30 million) or donate some holdings. On the other hand, it is possible that the sellers would insist on a price that reflects their property's current market value, which would be difficult to establish for public park land. This estimate is based on information provided

by the NPS, state and city officials, and other affected parties. Other provisions of the bill would have no impact on the federal budget.

Enacting S. 633 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. S. 633 contains no intergovernmental or private-sector mandates as defined in Unfunded Mandates Reform Act of 1995 and would impose no costs on state, local, or tribal governments. As explained above, CBO estimates that the state of New Mexico and the city of Albuquerque together would receive between \$30 million and \$70 million for the sale of lands to the National Park Service, if the parties can agree on the terms of a sale and if the necessary funds are appropriated. State and local governments would also be affected by the provision removing the Paseo del Norte corridor from the monument. This provision would facilitate the construction of a new roadway through this corridor, but the decision to build such a roadway would be left to state and local authorities.

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