



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 5, 2000

H.R. 1751

Carrizo Plain National Conservation Area Act of 1999

As ordered reported by the House Committee on Resources on July 26, 2000

SUMMARY

CBO estimates that implementing H.R. 1751 would cost \$18 million over the 2001-2005 period, assuming appropriation of the necessary amounts. Because the bill would affect direct spending and receipts, pay-as-you-go procedures would apply. We estimate, however, that any such impacts would total less than \$500,000 in any given year. H.R. 1751 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no significant impact on the budgets of state, local, or tribal governments.

H.R. 1751 would establish the Carrizo Plain National Conservation Area on about 250,000 acres of land in California. The bill would direct the Secretary of the Interior to manage the public lands within that area in accordance with an existing management plan and would establish a separate account in the Treasury for that purpose. In addition to amounts appropriated to that account, the bill would authorize the Secretary to retain and spend, without further appropriation, fees collected by the federal government for activities in the area as well as any gifts, bequests, or donations received by the Secretary. Finally, H.R. 1751 would authorize the Secretary to acquire nonfederal land within the proposed conservation area by donation, exchange, or purchase from a willing seller.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1751 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2001	2002	2003	2004	2005
CHANGES IN SPENDING SUBJECT TO APPROPRIATION ^a					
Estimated Authorization Level	3	4	5	5	1
Estimated Outlays	3	3	5	5	2

a. H.R. 1751 also would affect direct spending and receipts, but by less than \$500,000 a year.

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 1751 will be enacted near the start of fiscal year 2001. We also assume that the necessary funds will be appropriated starting in that year and that outlays will follow the historical spending pattern for similar activities. Based on information from the Bureau of Land Management (BLM), CBO estimates that implementing H.R. 1751 would cost \$18 million over the 2001-2005 period, assuming appropriation of the necessary amounts. We also estimate that H.R. 1751 would affect direct spending and receipts, but by less than \$500,000 annually.

Spending Subject to Appropriation

Based on information from BLM, CBO estimates that establishing and managing the proposed conservation area would cost \$6 million over the 2001-2005 period. That amount includes the estimated costs of adding staff and administrative services to the area, upgrading and maintaining existing infrastructure and facilities, establishing new interpretive sites, and operating an advisory committee.

H.R. 1751 would authorize the Secretary to acquire nonfederal lands within the boundary of the proposed conservation area. According to the agency, the management plan identified in the bill has targeted about 33,000 acres for acquisition. Based on information from BLM regarding the estimated value of those lands, we estimate that purchasing them would cost \$12 million over the 2001-2005 period.

Direct Spending and Revenues

H.R. 1751 would authorize the Secretary to retain and spend, without further appropriation, any fees received for activities within the proposed conservation area. Because the Secretary does not have such authority under current law, enacting this provision would increase direct spending by the amount of those fees. According to the agency, the lands to be included in the proposed area produce less than \$100,000 annually in offsetting receipts from rental and royalty payments from oil and gas producers, permits for rights-of-way and communication sites, and recreation fees. Thus, CBO estimates that authorizing the Secretary to spend those receipts would increase direct spending by less than \$100,000 each year. We estimate that other provisions of H.R. 1751 would not have a significant impact on direct spending.

H.R. 1751 would allow the Secretary to accept gifts, bequests, and donations for the purposes of managing the proposed conservation area. These amounts would be recorded in the budget as governmental receipts (revenues) and the use of any such amounts under this bill would be direct spending. Based on information from BLM, however, CBO estimates that such donations would not be significant in any year.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. Pay-as-you-go procedures would apply to H.R. 1751, but CBO estimates that there would be no significant impact on direct spending or receipts in any year.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1751 contains no intergovernmental or private-sector mandates as defined in UMRA and would have no significant impact on the budgets of state, local, or tribal governments.

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