



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 6, 2002

### **H.R. 2388** **National Heritage Areas Policy Act**

*As ordered reported by the House Committee on Resources on May 22, 2002*

H.R. 2388 would provide a framework for establishing new national heritage areas (NHAs). NHAs are cultural or historical areas managed locally in cooperation with the National Park Service (NPS) but are not units of the National Park System. CBO estimates that enacting H.R. 2388—by itself—would have no effect on the federal budget because none of the activities authorized by the bill could occur without further authorizing legislation. The bill, however, would establish a new procedure that could affect how many and how quickly new NHAs would be established using future appropriated funds. It also would authorize appropriations for the study of and potential creation of future NHAs. H.R. 2388 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 2388 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.

H.R. 2388 would establish criteria and mechanisms for assessing, planning, designating, and developing new national heritage areas. For each proposed new NHA, Congressional action would be required to authorize both the first step—a feasibility study, and the final step—a formal NHA designation.

Under the bill, once a feasibility study has been authorized, the NPS would have five years to approve and submit to the Congress both the study (conducted either by the NPS or by an interested local entity) and a general management plan (developed by a local coordinating entity), along with the agency's recommendation regarding designation. For each proposed NHA, section 14 of the bill would authorize the appropriation of \$250,000 per year (up to a total of \$1.5 million) for technical assistance and grants to local groups for preparing the feasibility study and management plan. (This section also would authorize the appropriation of \$250,000 for each feasibility study conducted by the NPS itself.)

Once a formal designation of a new NHA has been enacted, NPS would be authorized to provide technical and financial assistance to a local coordinating entity over the following 10 years. This assistance would provide the local entity with operating funds and would support activities to implement the general management plan (including preparation of the necessary studies and interpretive programs and restoration of historic structures). For this purpose, the bill would authorize the appropriation of \$10 million over 10 years for each NHA.

Because the authority to appropriate funds provided in H.R. 2388 would depend on subsequent acts of Congress to authorize feasibility studies and designate new NHAs, CBO estimates that enacting this legislation alone would have no effect on the federal budget.

The CBO staff contact for this estimate is Deborah Reis. The estimate was reviewed by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.