



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 9, 2002

**H.R. 695
Omnibus National Heritage Area Act of 2002**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on July 31, 2002*

SUMMARY

H.R. 695 would establish six national heritage areas (NHA), which are nonfederal lands and communities managed privately in conjunction with the National Park System. The bill would authorize the appropriation of \$10 million for each NHA over the next 15 years. Each of the six NHAs would be managed by a specified nonprofit organization under a cooperative agreement with the National Park Service (NPS), which would provide financial and technical assistance to develop and implement management plans. In addition, the bill would authorize the appropriation of \$5 million over the 2003-2007 period for development of the John H. Chafee Blackstone River Valley National Heritage Area in Rhode Island, an NPS affiliated area.

Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 695 would cost the federal government about \$7 million in 2003 and \$35 million over the 2003-2007 period. (We estimate that the remaining \$30 million authorized would be appropriated and spent after 2007.) The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

H.R. 695 contains no intergovernmental or private-sector mandates as defined under the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

H.R. 695 would establish the following national heritage areas:

- Oil Region NHA in Pennsylvania;
- Arabia Mountain NHA in Georgia;
- Freedom's Way NHA in Massachusetts and New Hampshire;
- Great Basin NHA in Nevada and Utah;
- Northern Rio Grande NHA in New Mexico; and
- National Mormon Pioneer NHA in Utah.

The estimated cost of creating and developing the six NHAs and developing the John H. Chafee Blackstone River Valley National Heritage Corridor is summarized 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				
	2003	2004	2005	2006	2007
Estimated Authorization Level	7	7	7	7	7
Estimated Outlays	7	7	7	7	7

BASIS OF ESTIMATE

For this estimate, CBO assumes that \$1 million, the maximum annual funding authorized by the bill, will be appropriated for each of the six proposed heritage areas annually over the next 10 years. Such funds would be used for preparing and implementing management plans to conserve and develop each area's natural, cultural and historical resources. We further assume that \$1 million of the \$5 million authorized to be appropriated for the John H. Chafee Blackstone River Valley National Heritage Corridor will be appropriated for each year through 2007. Outlays are based on historic spending patterns for other NHAs and similar areas affiliated with the National Park System.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 695 contains no intergovernmental or private-sector mandates as defined under UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On July 3, 2001, CBO prepared a cost estimate for H.R. 695 as ordered reported by the House Committee on Resources on June 23, 2001. The House version of the legislation would establish only the Oil Region National Heritage Area, while the Senate version would establish five others as well as Oil Region. The Senate version also would authorize the appropriation of \$5 million for the John H. Chafee Blackstone River Valley National Heritage Corridor. The CBO cost estimates reflect these differences.

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