



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 11, 2002

S. 2623

Cedar Creek and Belle Grove National Historical Park Act

*As reported by the Senate Committee on Energy and Natural Resources
on October 8, 2002*

S. 2623 would establish the Cedar Creek and Belle Grove National Historical Park (NHP) on about 3,000 acres in Virginia. Assuming appropriation of the necessary amounts, CBO estimates that implementing the legislation would cost between \$20 million and \$25 million over the next five years and \$1.5 million annually thereafter. It is possible that an additional \$5 million to \$10 million could be spent to acquire property within the park boundary after 2007 (also assuming appropriation of the necessary amounts), but the timing and amount of such spending is uncertain. S. 2623 could result in additional revenues and direct spending (from accepting and using contributions from the National Park Foundation). CBO estimates, however, that such transactions would have no net budgetary impact over several years.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

S. 2623 would direct the National Park Service (NPS) to manage the new national historical park in partnership with local nonprofit organizations and local governments. For that purpose, the bill also would establish an advisory commission for the new NHP. The commission would consist of 15 members representing federal, state, local, nonprofit, and private interests. It would advise the NPS on planning and operational issues, and the agency would in turn provide technical and financial assistance to the member agencies and organizations, many of which would continue to own and operate sites within the NHP. The NPS would be authorized to acquire real and personal property within the park by donation, purchase, or exchange.

CBO expects that the federal government would acquire about 2,000 acres within the new park's boundary at a cost of between \$5 million and \$10 million over the next five years. The range in property acquisition costs reflects the possibility that some property could be

protected by purchasing less expensive conservation easements. We estimate that development costs over the first five years, primarily to develop federally owned property within the park, would be about \$10 million and that costs for planning, studies, and assistance to NPS partners would be about \$5 million over the 2003-2007 period. After 2007, we expect that administering the park would cost \$1.5 million a year, including assistance to partners, payments to local governments in lieu of taxes, and operating the park during the start-up period. This estimate is based on information provided by the NPS and local nonprofits and assumes appropriation of the necessary amounts.

S. 2623 could increase both revenues and direct spending by authorizing the NPS to accept and spend contributions from the National Park Foundation. CBO has no basis for estimating how much the foundation may contribute to the NPS for this park, but we expect that the net budgetary impact would be zero over several years.

On September 30, 2002, CBO transmitted a cost estimate for H.R. 4944, the Cedar Creek and Belle Grove National Historical Park Act, as ordered reported by the House Committee on Resources on September 12, 2002. The two pieces of legislation are identical, as are the CBO cost estimates.

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