



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 16, 2004

H.R. 1964 **Highlands Conservation Act**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on September 15, 2004*

SUMMARY

H.R. 1964 would authorize the appropriation of \$11 million annually for fiscal years 2005 through 2014 for land preservation in the highlands area of the eastern United States. Most of this funding would be used by the Department of the Interior (DOI) to provide grants to four specified states: Pennsylvania, New York, New Jersey, and Connecticut. The eligible states would use the grant funds to acquire land or other real property interests. About \$1 million annually would finance U.S. Forest Service activities in the highlands area.

CBO estimates that implementing H.R. 1964 would cost \$55 million through 2009 (and an additional \$55 million over the 2010-2014 period), assuming appropriation of the authorized amounts. Enacting H.R. 1964 would not affect revenues or direct spending.

H.R. 1964 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1964 over the 2005-2009 period 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				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	11	11	11	11	11
Estimated Outlays	11	11	11	11	11

BASIS OF ESTIMATE

For this estimate, CBO assumes that the amounts authorized will be appropriated for each fiscal year. Of the \$11 million authorized for each year, \$10 million would be used by DOI for matching grants to finance land protection projects in the eligible states. The remaining \$1 million would be used by the Forest Service to continue its research of the area and its assistance to the four states. No specific amounts were appropriated for those purposes for fiscal year 2004. Estimated outlays are based on historical spending patterns for similar programs.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1964 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit the states of Connecticut, New Jersey, New York, and Pennsylvania because it would authorize federal assistance for conservation projects in those states. Any costs they might incur to comply with the conditions of that assistance would be voluntary.

PREVIOUS CBO ESTIMATE

On November 6, 2003, CBO transmitted a cost estimate for H.R. 1964 as ordered reported by the House Committee on Resources on October 29, 2003. The two versions of the legislation are very similar, and the estimated costs are identical. (The cost estimate table above shows an additional year of spending as compared to last year's estimate, which showed the costs only through 2008.)

ESTIMATE PREPARED BY:

Federal Costs: Deborah Reis

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Selena Caldera

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis