



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 12, 2006

S. 1529

City of Yuma Improvement Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on May 24, 2006*

Under S. 1529, the Bureau of Reclamation would transfer six parcels of land to the city of Yuma, Arizona, in exchange for land owned by the city. Under the bill, if the values of the properties to be exchanged are not equal, the parties could either adjust the number of acres or make cash payments to equalize those values. In addition, the legislation would require the U.S. Fish and Wildlife Service (USFWS) to convey one parcel of land to the city at fair market value. CBO estimates that this conveyance would result in additional offsetting receipts (a credit against direct spending) to the federal government of about \$500,000 in fiscal year 2007.

Based on information from the bureau, CBO estimates that the exchange of six parcels (about 7 acres) would have no significant impact on the federal budget. According to the agency, the federal land to be exchanged currently generates no significant collections from natural resource sales or leases and is not expected to do so over the next 10 years; therefore, we estimate that conveying it would not affect offsetting receipts (a credit against direct spending). Based on information regarding the value of the properties involved in the proposed exchange, we estimate that any cash equalization payments would be minimal. Based on information about the value of the USFWS land to be sold, CBO estimates that the sale of the property at fair market value would increase offsetting receipts in fiscal year 2007 by about \$500,000.

S. 1529 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. The bill would benefit the city of Yuma, Arizona, by authorizing the exchange of federal land for land owned by the city. Any costs the city might incur would be incurred voluntarily.

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