



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 14, 2009

### **H.R. 1916** **Migratory Bird Habitat Investment and Enhancement Act**

*As ordered reported by the House Committee on Natural Resources on July 29, 2009*

#### **SUMMARY**

H.R. 1916 would raise the price charged for federal duck stamps. Duck stamps are annual permits to hunt waterfowl that are sold by the federal government to fund projects that conserve migratory bird habitat. CBO estimates that enacting H.R. 1916 would increase revenues by \$74 million over the 2010-2019 period. Because that increase would be offset by additional direct spending, enacting the bill would have no net impact on the federal budget over the 10-year period. We estimate that implementing the bill would have no significant effect on discretionary spending.

H.R. 1916 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

By increasing the cost of the Duck Stamp, H.R. 1916 would impose a private-sector mandate, as defined in UMRA, on certain persons who hunt migratory waterfowl. Based on information from hunting officials, CBO estimates that the cost of complying with the mandate would fall well below the annual threshold for private-sector mandates (\$139 million in 2009, adjusted annually for inflation).

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The budgetary impact of H.R. 1916 is summarized in the following table. The costs of this bill fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars											
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2010-2014	2010-2019
<b>CHANGES IN REVENUES</b>												
Estimated Revenues	2	8	8	8	8	8	8	8	8	8	34	74
<b>CHANGES IN DIRECT SPENDING</b>												
Spending from Migratory Bird Fund												
Estimated Budget Authority	2	8	8	8	8	8	8	8	8	8	34	74
Estimated Outlays	1	7	9	9	8	8	8	8	8	8	34	74
<b>EFFECT ON THE FEDERAL DEFICIT</b>												
Net Changes	-1	-1	1	1	0	0	0	0	0	0	0	0

## BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 1916 will be enacted near the beginning of fiscal year 2010 and that the U.S. Postal Service, which sells duck stamps on behalf of the U.S. Fish and Wildlife Service (USFWS), would begin charging the higher fee mandated by the bill at the start of the 2010 hunting year (which is July 2010). Estimated outlays are based on historical spending patterns for USFWS conservation programs.

### Revenues

H.R. 1916 would raise the price of a duck stamp from \$15 to \$25 for hunting years 2010 through 2020. The bill would exempt certain individuals from the price increase, such as persons under 19 or over 65 years of age, active duty members of the U.S. Armed Forces, and veterans. Based on information provided by the USFWS, CBO estimates that implementing the \$10 price change would increase federal revenues by \$2 million in fiscal year 2010 and by \$8 million a year over the 2010-2019 period. CBO's estimate reflects previous experience with price increases, which usually result in a temporary reduction in the number of stamps sold.

### Direct Spending

As under existing law, amounts collected from sales of the \$25 duck stamps would be deposited in the Migratory Bird Conservation Fund (MBCF) and would be available without further appropriation for waterfowl conservation projects. In recent years, duck stamp revenues have provided about \$22 million a year for such projects, which usually

focus on acquiring habitat. Enacting the \$10 price change would raise deposits into the MBCF by \$74 million over the 2010-2019 period, resulting in additional direct spending of that amount over the next 10 years.

### **ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS**

H.R. 1916 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

### **ESTIMATED IMPACT ON THE PRIVATE SECTOR**

By increasing the annual fee from \$15 to \$25 for the Duck Stamp that serves as a federal license required for hunting migratory waterfowl, H.R. 1916 would impose a private-sector mandate, as defined in UMRA. Based on information from hunting officials regarding the number of migratory bird hunters, the total fee increase on those hunters would be less than \$8 million annually. (Some purchases are made voluntarily by collectors and conservationists.) Therefore, CBO estimates that the cost of complying with the mandate would fall well below the annual threshold for private-sector mandates (\$139 million in 2009, adjusted annually for inflation).

### **ESTIMATE PREPARED BY:**

Federal Costs: Zachary Epstein (for revenues) and Deborah Reis (for spending effects)  
Impact on State, Local, and Tribal Governments: Melissa Merrell  
Impact on the Private Sector: Paige Piper/Bach

### **ESTIMATE APPROVED BY:**

Theresa Gullo  
Deputy Assistant Director for Budget Analysis