



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 18, 2014

H.R. 3044 **A bill to approve the transfer of Yellow Creek Port properties in Iuka, Mississippi**

*As ordered reported by the House Committee on Transportation and Infrastructure
on July 16, 2014*

H.R. 3044 would authorize the Tennessee Valley Authority (TVA) to convey certain federal properties to the state of Mississippi. Enacting the bill would affect direct spending; therefore, pay-as-you-go procedures apply. CBO estimates, however, that the net impact on direct spending would be insignificant over the 2014-2024 period. Enacting H.R. 3044 would not affect revenues or spending subject to appropriation.

Based on information from TVA and the state of Mississippi, CBO estimates that TVA would convey approximately 172 acres in an area known as the Yellow Creek Port in Iuka, Mississippi. Under a law enacted by the state in 2011, Mississippi is authorized to acquire the property if environmental assessments determine that the property is clear of any contaminants or pollutants and if TVA waives certain payment obligations. The conveyance is subject to Congressional approval because the transfer would occur through a noncompetitive process.

TVA would incur some administrative and other expenses to implement the conveyance, but CBO expects that those costs probably would be insignificant in any given year. Although some spending may occur if the state's environmental assessments identify a need for remedial action, TVA anticipates that any such costs would be negligible and could occur under current law. Furthermore, CBO estimates that any changes in TVA's expenses would have no significant net effect on direct spending over the 2014-2024 period because TVA is required by law to pass on all of its costs and savings to its electricity customers.

H.R. 3044 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would benefit the state of Mississippi.

On February 28, 2014, CBO transmitted a cost estimate for S. 212, a bill to approve the transfer of Yellow Creek Port Properties in Iuka, Mississippi, as ordered reported by the Senate Committee on Environment and Public Works on February 6, 2014. H.R. 3044 is identical to S. 212 and the CBO cost estimates are the same.

The CBO staff contact for this estimate is Kathleen Gramp. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.