



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

October 23, 2014

**H.R. 5476  
Cabin Fee Act of 2014**

*As ordered reported by the House Committee on Natural Resources  
on September 18, 2014*

**SUMMARY**

H.R. 5476 would establish a new schedule for the fees paid to the federal government by individuals who own cabins located on Forest Service lands. The bill also would establish a fee that would be assessed on individuals who transfer ownership of their cabins. Based on information provided by the Forest Service, CBO estimates that enacting the legislation would reduce net direct spending by \$1 million over the 2015-2024 period; therefore, pay-as-you-go procedures apply. Enacting H.R. 5476 would not affect revenues.

H.R. 5476 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 5476 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										2015-	2015-
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2019	2024
<b>CHANGES IN DIRECT SPENDING</b>												
Reduction in Cabin Fees												
Estimated Budget Authority <sup>a</sup>	6	2	-1	*	*	*	*	*	-1	-1	7	4
Estimated Outlays	6	2	-1	*	*	*	*	*	-1	-1	7	4
Cabin Transfer Fee												
Estimated Budget Authority	*	*	*	-1	-1	-1	-1	-1	-1	-1	-2	-5
Estimated Outlays	*	*	*	-1	-1	-1	-1	-1	-1	-1	-2	-5
Total Changes												
Estimated Budget Authority	6	2	-1	-1	-1	-1	-1	-1	-1	-1	4	-1
Estimated Outlays	6	2	-1	-1	-1	-1	-1	-1	-1	-1	4	-1

Notes: Amounts may not sum to totals because of rounding; \* = between -\$500,000 and \$500,000.

a. Because the fees already paid by some cabin owners for 2014 would exceed the amounts that would be owed in that year under the bill, CBO expects that the Forest Service would provide refunds to those cabin owners in 2015.

## BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted at the end of 2014.

CBO estimates that enacting H.R. 5476 would reduce net direct spending by \$1 million over the 2015-2024 period. Over that period, fees collected from cabin owners by the Forest Service would total \$4 million less than what would be collected under current law (such losses would be reflected in the budget as an increase in direct spending). In addition, proceeds from the cabin transfer fee required under H.R. 5476 would increase receipts (thus reducing direct spending) by \$5 million over that period.

### Reduction in Cabin Fees

H.R. 5476 would establish a new schedule for fees assessed on cabins located on Forest Service lands. Under current law, owners of the roughly 14,000 affected cabins pay an annual fee to the federal government equal to 5 percent of the appraised value of the occupied land. Fee collections from those cabins totaled roughly \$30 million in 2014 and CBO estimates that those collections will increase, under current law, to about \$35 million by 2024. Collections will increase over that period as the agency completes appraisals of the affected Forest Service lands, implements new fees based on those appraisals, and annually adjusts fees on all cabins to account for inflation.

Because H.R. 5476 would cap annual cabin fees at \$5,650 and prevent scheduled increases from being implemented as they would be under current law, CBO estimates that enacting the bill would lower annual receipts by an average of about \$90 per cabin over the 2015-2024 period. However, because of the reduction in fees CBO expects that fewer cabins would be abandoned under the bill than under current law, partially offsetting the reduction in the fee paid per cabin. On net, we estimate that enacting the new cabin fees required under H.R. 5476 would reduce offsetting receipts (and thus increase direct spending) by \$4 million over the 2015-2024 period.

### **Cabin Transfer Fees**

H.R. 5476 would require the Forest Service to collect a fee of \$1,200 from cabin owners who transfer ownership of their cabins. That fee would be adjusted annually to account for inflation. CBO estimates that enacting this provision would increase offsetting receipts, which are treated as reductions in direct spending, by \$5 million over the 2015-2024 period, based on information provided by the Forest Service indicating that about 400 permits will be issued to new owners each year.

### **PAY-AS-YOU-GO CONSIDERATIONS**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

**CBO Estimate of Pay-As-You-Go Effects for H.R. 5476 as ordered reported by the House Committee on Natural Resources on September 19, 2014**

	By Fiscal Year, in Millions of Dollars											2015-	2015-	
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2019	2024		
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT</b>														
Statutory Pay-As-You-Go Impact	6	2	-1	-1	-1	-1	-1	-1	-1	-1	-1	4	-1	

### **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 5476 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

## **PREVIOUS CBO ESTIMATES**

On April 5, 2013, CBO transmitted a cost estimate for H.R. 1159, the Cabin Fee Act of 2013, as ordered reported by the House Committee on Natural Resources on March 20, 2013. H.R. 5476 would establish a higher cap on fees paid by each cabin owner, cap the amount that cabin fees could be increased each year through 2016, adjust the cabin transfer fee for inflation, and make the cabin transfer fee apply in all cases where ownership of a cabin is transferred.

On March 5, 2014, CBO transmitted a cost estimate for S. 1341, the Cabin Fee Act of 2013, as ordered reported by the Senate Committee on Energy and Natural Resources on December 19, 2013. H.R. 5476 would establish a higher cap on fees paid by each cabin owner and cap the amount that cabin fees could be increased each year through 2016.

On September 12, 2014, CBO transmitted a cost estimate for H.R. 4873, the Cabin Fee Act of 2014, as ordered reported by the House Committee on Natural Resources on June 19, 2014. H.R. 5476 would establish a higher cap on fees paid by each cabin owner.

Those differences are reflected in the cost estimates for H.R. 5476 and the three earlier bills.

## **ESTIMATE PREPARED BY:**

Federal Costs: Jeff LaFave

Impact on State, Local, and Tribal Governments: Jon Sperl

Impact on the Private Sector: Amy Petz

## **ESTIMATE APPROVED BY:**

Theresa Gullo

Deputy Assistant Director for Budget Analysis