



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 12, 2013

S. 285
Valles Caldera National Preserve Management Act
*As ordered reported by the Senate Committee on Energy and Natural Resources
on June 18, 2013*

SUMMARY

S. 285 would transfer administrative jurisdiction of the Valles Caldera Preserve in New Mexico from the Forest Service to the National Park Service (NPS). Assuming appropriation of the necessary amounts, CBO estimates that implementing S. 285 would cost \$27 million over the 2014-2018 period. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

S. 285 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 S. 285 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					2014- 2018
	2014	2015	2016	2017	2018	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	3	6	7	7	7	30
Estimated Outlays	2	5	7	7	7	27

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted near the end of 2013 and that the necessary amounts will be appropriated for each fiscal year. Estimated outlays are based on the historical spending patterns for similar land management activities.

Under S. 285, the Valles Caldera National Preserve would become a unit of the National Park System rather than the National Forest System. The preserve would be managed by the NPS rather than the Valles Caldera Trust—a wholly owned, government-sponsored corporation. (The 89,000-acre preserve was established in 2000.) Assets and liabilities of the Valles Caldera Trust Fund would be transferred to the NPS along with authority to spend amounts in the trust fund without an appropriation. Under the bill, the NPS could continue to allow grazing on preserve lands as well as hunting, fishing, and other recreational activities.

Based on information provided by the Forest Service and the NPS, CBO estimates that the cost of administering the preserve would increase by about \$1 million annually. (The Forest Service currently spends \$3 million a year to administer the preserve.) The additional costs would result initially from required management planning and studies and later from improved operations and maintenance activities. In addition, assuming appropriation of the necessary amounts, CBO estimates that the NPS would spend \$22 million over the 2014-2018 period to construct facilities for maintenance operations, administrative activities, and educational purposes.

CBO expects that offsetting receipts and associated direct spending under the bill would be about the same as under current law. The NPS would collect receipts currently collected by the trust (primarily recreation fees amounting to less than \$1 million annually) and would spend those amounts to benefit the preserve. Spending of balances in the Valles Caldera Trust Fund also would be unchanged under the bill. Finally, we estimate that withdrawing land within the preserve from some commercial activities such as mining would not reduce offsetting receipts because that land is not expected to generate any receipts in future years.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 285 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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