



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 27, 2011

### **H.R. 1408** **Southeast Alaska Native Land Entitlement Finalization** **and Jobs Protection Act**

*As ordered reported by the House Committee on Natural Resources on July 13, 2011*

#### **SUMMARY**

H.R. 1408 would authorize the Southeast Alaska Native Corporation (Sealaska) to select the rest of its land entitlement from federal lands outside the area originally delineated for that purpose by the Alaska Native Claims Settlement Act. The bill also would authorize the Director of the National Park Service (NPS) to enter into cooperative management agreements with Sealaska and other groups with cultural ties to Glacier Bay National Park.

Based on information from the Forest Service, CBO estimates that enacting H.R. 1408 would result in a net loss of \$2 million in timber receipts over the 2012-2021 period (such losses would increase direct spending). Because enacting the legislation would affect direct spending, pay-as-you-go procedures apply. Enacting H.R. 1408 would not affect revenues.

H.R. 1408 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 H.R. 1408 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											2012-	2012-	
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2016	2021		
<b>CHANGES IN DIRECT SPENDING</b>														
Estimated Budget Authority	0	0	0	0	0	0	0	1	1	1	0	2		
Estimated Outlays	0	0	0	0	0	0	0	1	1	1	0	2		

Note: Components do not sum to totals because of rounding.

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 1408 will be enacted early in fiscal year 2012. Though the legislation would not grant additional lands to Sealaska, it would allow Sealaska to select from federal lands that are not available under current law and that are expected to generate timber receipts for the Treasury (beginning around 2019); in contrast, the lands available under current law are not expected to generate receipts to the Treasury.

Based on information from the Forest Service, CBO estimates that enacting the legislation would result in the transfer of 18,000 acres of old and second-growth forest land to Sealaska. Proceeds from the sale of timber on federal land are deposited in the Treasury as offsetting receipts (a credit against direct spending). Based on information from the Forest Service, CBO estimates that transferring that land to Sealaska would result in a net loss of timber receipts, totaling about \$2 million over the 2012-2021 period and additional amounts after 2021.

H.R. 1408 would authorize the Director of the NPS to enter into a cooperative agreement with Sealaska, other village corporations, and federally recognized tribes with historical ties to the area to recognize the contributions of those entities to the history, culture, and ecology of the region and to protect certain sacred and cultural sites in Glacier Bay National Park. Based on information from the Department of the Interior, CBO estimates that those agreements would have an insignificant impact on the federal budget.

## **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.

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**CBO Estimate of Pay-As-You-Go Effects for H.R. 1408 as ordered reported by the House Committee on Natural Resources on July 13, 2011**

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	By Fiscal Year, in Millions of Dollars											
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2012-2016	2012-2021
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT</b>												
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	1	1	1	0	2

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Note: Components do not sum to totals because of rounding.

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**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 1408 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit Sealaska.

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