



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 28, 2014

### **H.R. 5069** **Federal Duck Stamp Act of 2014**

*As ordered reported by the House Committee on Natural Resources  
on July 30, 2014*

#### **SUMMARY**

H.R. 5069 would allow the Department of the Interior (DOI) to raise the price charged for Federal Migratory Bird Hunting and Conservation Stamps (referred to as federal duck stamps). Federal duck stamps are annual permits sold by the federal government to hunt migratory waterfowl. The stamps also allow entry to National Wildlife Refuges that charge entrance fees. Sales proceeds are used to acquire wetlands for inclusion in the National Wildlife Refuge System.

CBO estimates that enacting H.R. 5069 would reduce the deficit by \$5 million over the 2015-2024 period. Collections from the sale of duck stamps are recorded in the budget as revenues, deposited in the Migratory Bird Conservation Fund (MBCF), and later spent. Because the bill would affect direct spending and revenues, pay-as-you-go procedures apply. In addition, we estimate that implementing the bill would have no significant effect on discretionary spending.

H.R. 5069 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 annual fee for duck stamps, H.R. 5069 would impose a private-sector mandate, as defined in UMRA, on individuals required to obtain the stamp as a federal permit to hunt migratory waterfowl. Based on information from gaming officials at DOI, CBO estimates that the incremental cost of complying with the mandate would fall well below the annual threshold for private-sector mandates (\$152 million in 2014, adjusted annually for inflation).

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

The estimated budgetary effect of H.R. 5069 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	2016	2017	2018	2019	2020	2021	2022	2023	2024	2015-2019	2015-2024
<b>CHANGES IN REVENUES</b>												
Estimated Revenues	*	13	13	13	13	13	13	13	14	14	52	119
<b>CHANGES IN DIRECT SPENDING</b>												
Estimated Budget Authority	*	13	13	13	13	13	13	13	14	14	52	119
Estimated Outlays	*	8	12	13	13	13	13	13	14	14	47	114
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT FROM CHANGES IN DIRECT SPENDING AND REVENUES</b>												
Impact on the Deficit	*	-5	-1	0	0	0	0	0	0	0	-5	-5

Note: \* = less than \$500,000; components may not sum to totals because of rounding..

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that H.R. 5069 will be enacted near the end of 2014 and that DOI will begin charging higher fees authorized under the bill at the start of the 2015 hunting season (July 2015). Estimated outlays are based on the program's historical spending pattern.

### **Revenues**

H.R. 5069 would increase the price of federal duck stamps from \$15 to \$25 for an annual permit. Based on information provided by DOI, CBO estimates that federal revenues would increase by \$119 million over the 2015-2024 period. That estimate includes a reduction in the number of stamps sold compared with the number that would be sold at a price of \$15, reflecting CBO's assessment of the effects of prior stamp price increases.

### **Direct Spending**

As under existing law, additional collections from the sale of duck stamps under the bill would be deposited in the MBCF and would be available to be spent without further appropriation. Amounts collected from the incremental increase in the fee would be available for the acquisition of conservation easements. CBO estimates that enacting the legislation would increase spending from the MBCF by about \$114 million over the 2015-2024 period. In recent years, revenues from duck stamps have provided about \$22 million annually for conservation projects, which usually focus on acquiring habitat.

## 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 and revenues 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. 5069, the Federal Duck Stamp Act of 2014, as ordered reported by the House Committee on Natural Resources July 30, 2014

	By Fiscal Year, in Millions of Dollars												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2014-2019	2014-2024
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT</b>													
Statutory Pay-As-You-Go Impact	0	0	-5	-1	0	0	0	0	0	0	0	-5	-5
<b>Memorandum:</b>													
Changes in Outlays	0	0	8	12	13	13	13	13	13	14	14	47	114
Changes in Revenues	0	0	13	13	13	13	13	13	13	14	14	52	119

## ESTIMATED EFFECT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

H.R. 5069 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

## ESTIMATED EFFECT ON THE PRIVATE SECTOR

By increasing the annual fee for duck stamps, which serve as a federal permit that individuals are required to obtain to hunt migratory waterfowl, H.R. 5069 would impose a private-sector mandate on individuals who purchase the stamp as a hunting permit. Based on information from gaming officials at DOI regarding the number of migratory bird hunters, CBO estimates that the fee increase would total about \$13 million annually beginning in 2016. (Some purchases of duck stamps are made voluntarily by conservationists and those purchases would not be considered a mandate under UMRA.) As a result, CBO estimates that the incremental cost of complying with the mandate would fall well below the annual threshold for private-sector mandates (\$152 million in 2014, adjusted annually for inflation).

## **PREVIOUS CBO ESTIMATE**

On May 2, 2014, CBO transmitted a cost estimate for S. 1865, the Migratory Bird Habitat Investment and Enhancement Act, as ordered reported by the Senate Committee on Environment and Public Works on February 6, 2014. The two bills are similar, and both bills would increase the price of duck stamps from \$15 to \$25. However, S. 1865 would further increase the price of a duck stamp from \$25 to \$30 five years after enactment. The CBO cost estimates reflect that difference.

## **ESTIMATE PREPARED BY:**

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