



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 4, 2007

### **S. 647**

### **Lewis and Clark Mount Hood Wilderness Act of 2007**

*As ordered reported by the Senate Committee on Energy and Natural Resources  
on July 25, 2007*

#### **SUMMARY**

S. 647 would designate about 124,000 acres of federal land located in Oregon as wilderness and would add about 80 miles of waterways in the forest to the Wild and Scenic Rivers System. The bill also would designate about 34,550 acres within the national forest as the Mt. Hood National Recreation Area. Other lands would be protected by designating them as special resource areas or potential wilderness or by requiring them to be managed for limited uses. Finally, S. 647 would authorize the U.S. Forest Service to acquire private lands near Mt. Hood and would provide for several exchanges of land between the Forest Service and nonfederal landowners.

CBO estimates that implementing S. 647 would cost \$3 million in 2008 and \$11 million over the 2008-2012 period, assuming appropriation of the necessary amounts. Enacting this legislation could affect offsetting receipts and direct spending, but we estimate that any such effects would be negligible. Enacting the bill would not affect revenues.

S. 647 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

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

The estimated budgetary impact of S. 647 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				
	2008	2009	2010	2011	2012
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>					
Estimated Authorization Level	5	2	2	1	1
Estimated Outlays	3	3	2	2	1

## **BASIS OF ESTIMATE**

CBO estimates that implementing S. 647 would cost \$11 million over the 2008-2012 period, assuming appropriation of the necessary amounts. We estimate that any forgone offsetting receipts (a credit against direct spending) from enacting this legislation would be negligible. For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2008 and that the amounts estimated to be necessary will be appropriated each year.

## **Protected Areas**

Title I would designate 124,000 acres of Forest Service land as wilderness. It also would designate approximately 80 miles of rivers as wild and scenic. Subject to valid existing rights, each new area designated under the bill would be withdrawn from programs to develop mineral or geothermal resources. The Forest Service would need to describe, map, and survey the new land to properly protect it as wilderness. Based on information from the agency, CBO estimates that the Forest Service would spend about \$9 million over the 2008-2012 period to complete the necessary mapping and surveying.

Designating federal land as wilderness could result in forgone offsetting receipts if, under current law, that land would generate income from activities such as timber harvesting and mining. According to the Forest Service, that land currently generates no significant receipts but does contain about 5,000 acres of timber that could be harvested in the future. Such sales proceeds can be spent by the Forest Service without further appropriation. Thus, CBO estimates that any net budgetary impact from enacting this legislation would be negligible over the next 10 years.

## **Land Exchanges**

Title II of the legislation would authorize the Forest Service to exchange certain federal land for nonfederal land and to make or receive cash payments to account for any difference in the value of land exchanged. Based on information from the Forest Service, CBO estimates that the agency would need to pay \$1 million to private landholders to equalize the value of the properties that would be exchanged under the bill. In addition, CBO estimates that the agency would spend several hundred thousand dollars for administrative activities associated with the exchanges.

According to the agency, the land to be conveyed currently generates no significant receipts and is not expected to do so over the next 10 years; therefore, we estimate that conveying the land would not affect offsetting receipts.

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

S. 647 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would authorize land exchanges between state and local governments and the federal government; any costs related to the conveyance of such lands would be incurred voluntarily.

### **ESTIMATE PREPARED BY:**

Federal Costs: Tyler Kruzich

Impact on State, Local, and Tribal Governments: Leo Lex

Impact on the Private-Sector: Amy Petz

### **ESTIMATE APPROVED BY:**

Theresa A. Gullo

Chief, State and Local Government Cost Estimates Unit

Budget Analysis Division