



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 17, 2017

H.R. 2921
National Forest System Vegetation Management Pilot Program
Act of 2017

As ordered reported by the House Committee on Agriculture on October 4, 2017

H.R. 2921 would establish a pilot program that would permit electric utilities to conduct vegetation management projects, including tree thinning and fuel reduction, within 75 feet of their rights-of-way on lands administered by the Forest Service. Firms participating in the pilot program would be required to cover any costs incurred by the Forest Service to administer the program. The agency would be authorized to retain the receipts from such cost recovery, but because those amounts would not be available to be spent until appropriated by the Congress enacting the bill would have the effect of reducing direct spending.

The bill also would exempt an electric utility from legal liability if the utility causes damage while carrying out a vegetation management project approved by the Forest Service, unless the damage was caused by gross negligence or failure to comply with safety requirements imposed by the Forest Service. Based on information provided by the agency regarding damages caused by similar activities in recent years, CBO estimates that enacting this provision would have a negligible effect on the amount of funds the federal government would receive.

CBO estimates that implementing the bill would have no significant effect on the federal budget. Because enacting H.R. 2921 would increase offsetting receipts (and thus decrease direct spending), pay-as-you-go procedures apply. However CBO estimates that additional receipts under the bill would total less than \$500,000 a year. Enacting the bill would not affect revenues.

CBO estimates that enacting the bill would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

H.R. 2921 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.