



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 20, 2018

S. 1260

Gulf Islands National Seashore Land Exchange Act

*As ordered reported by the Senate Committee on Energy and Natural Resources
on March 8, 2018*

S. 1260 would authorize the National Park Service (NPS) to exchange about 2 acres of land within the Gulf Islands National Seashore in Mississippi with the Veterans of Foreign Wars (VFW) Post 5699. The exchange would provide the VFW with an access road.

If appraisals indicate that the value of the parcels to be exchanged are different, the bill would require that the party receiving the more valuable land provide a cash equalization payment or adjust the acreage of the land exchange. If the NPS were to acquire land of a higher value than the federal land exchanged, the NPS could make a cash payment to the VFW. Using information from the NPS, CBO expects that the properties to be exchanged are of roughly equal value and that any such payment would not exceed \$500,000; such spending would be subject to the availability of appropriated funds. S. 1260 would require the VFW to cover all administrative costs associated with the land exchange.

Enacting S. 1260 could affect direct spending; therefore, pay-as-you-go procedures apply. If the NPS were to acquire land of a lower value than the federal land exchanged, the NPS could receive a cash payment to equalize the values; any such payments would be recorded as offsetting receipts, which are treated as reductions in direct spending. However, CBO estimates that any such payment would not exceed \$500,000. Enacting S. 1260 would not affect revenues.

CBO estimates that enacting S. 1260 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 1260 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). The bill would authorize a land exchange between the federal government and a private entity, and that exchange would have a small incidental effect on property taxes collected by local governments in Mississippi. That effect, however, would not result from an intergovernmental mandate as defined in UMRA.

On September 8, 2017, CBO transmitted a cost estimate for H.R. 2615, the Gulf Islands National Seashore Land Exchange Act of 2017, as ordered reported by the House Committee on Natural Resources on July 26, 2017. On March 20, 2018, CBO transmitted a cost estimate for H.R. 2615, the Gulf Islands National Seashore Land Exchange Act, as ordered reported by the Senate Committee on Energy and Natural Resources on March 8, 2018. All of the pieces of legislation are similar, and CBO's estimates of their budgetary effects are the same.

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