



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

January 11, 2018

### **S. 2099**

### **Federal Land Management Act of 2017**

*As reported by the Senate Committee on Agriculture, Nutrition, and Forestry  
on November 16, 2017*

S. 2099 would authorize the Secretary of Agriculture to conduct several land conveyances. The bill also would expand certain wilderness areas in Tennessee and Virginia. Finally, the legislation would remove a deed restriction from certain lands in Maine. Using information provided by the Forest Service, CBO estimates that enacting the bill would reduce net direct spending by \$1 million. Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting S. 2099 would not affect revenues.

CBO estimates that enacting S. 2099 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 2099 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

#### **Conveyance of Lands in Riverside, California**

Section 8 would require the Secretary to sell about nine acres of land in Riverside, California, to the Riverside Corona Resource Conservation District (district). Using information provided by the Natural Resources Conservation Service (NRCS) and the district regarding the fair market value of similar properties in Riverside, California, CBO estimates that enacting the bill would increase offsetting receipts, which are treated as reductions in direct spending, by \$1 million in 2018.

Under current law, the affected lands are managed under a cooperative agreement between the NRCS and the district and are used for research and conservation purposes. None of those lands are expected to generate receipts over the next 10 years.

S. 2099 also would authorize the NRCS to enter into contracts or leases with the district after the lands are conveyed in order to allow the agency to occupy its current facilities. Using information provided by the NRCS and the district, CBO does not expect that the conservation district would make any improvements on the affected lands that would be

paid for using agency payments; therefore, we estimate that enacting that provision would not increase direct spending. (If the district made improvements to the facilities occupied by the NRCS and recouped the cost of those improvements from contractual payments made by the agency, CBO would probably view any payments as direct spending.)

### **Conveyance of Lands in Georgia**

Section 4 would authorize the Secretary to convey, through sale or land exchange, roughly 3,800 acres of National Forest System land in Georgia. CBO expects that the Forest Service would seek to sell the affected lands rather than exchange them for nonfederal forest lands. Based on an analysis of real estate listings for comparable land in northern Georgia, CBO estimates that the affected lands could be sold for an average of about \$5,000 per acre; the receipts from the sale of all 3,800 acres would total about \$20 million. However, because the bill would authorize the Forest Service to retain and spend any proceeds from such sales, the net effect on the federal budget over the 2018-2027 period would be negligible.

### **Conveyance of Lands in Louisiana**

Section 7 would authorize the Forest Service to sell up to 80 acres of federal land (including roughly 20 acres of submerged land) located in northern Louisiana. Camp Collins Properties would have the right of first purchase up to 50 acres of the affected lands, which contain more than 30 recreational residences. Based on the value of similar lands in the area, CBO estimates that the Forest Service would sell between 50 and 80 acres of land at an average value of a little less than \$4,000 an acre. That sale would increase offsetting receipts, which are treated as reductions in direct spending, by less than \$300,000.

Under current law, the affected lands are expected to generate offsetting receipts totaling about \$30,000 a year from fees paid by owners of recreational residences. Thus, CBO estimates that selling those lands also would reduce offsetting receipts by the same amount, about \$300,000, over the next 10 years. Thus CBO estimates that enacting section 7 would have no significant net effect on direct spending over the 2018-2027 period.

### **Other Provisions**

S. 2099 also contains provisions that would remove a deed restriction on lands previously conveyed by the Secretary to the city of Old Town, Maine, and expand wilderness areas in Tennessee and Virginia. Using information provided by the Forest Service, CBO estimates that enacting those provisions would have no significant effect on the federal budget.

## Previous CBO Estimates

S. 2099 contains provisions similar to those in three bills approved by House Committee on Agriculture. CBO has prepared cost estimates for the following pieces of legislation:

- On October 25, 2017, CBO transmitted a cost estimate for H.R. 3567, a bill to authorize the purchase of a small parcel of Natural Resources Conservation Service property in Riverside, California, by the Riverside Corona Resource Conservation District, and for other purposes, as ordered reported by the House Committee on Agriculture on October 4, 2017;
- On October 17, 2017, CBO transmitted a cost estimate for H.R. 2941, the Kisatchie National Forest Land Conveyance Act, as ordered reported by the House Committee on Agriculture on October 4, 2017; and
- On May 9, 2017, CBO transmitted a cost estimate for H.R. 1177, the Removing Outdated Restrictions to Allow for Job Growth Act, as ordered reported by the House Committee on Agriculture on May 3, 2017.

CBO's cost estimates costs for those bills and the estimated costs for similar provisions in S. 2099 are the same.

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