



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 2, 2018

H.R. 6038

A bill to establish a procedure for the conveyance of certain Federal property around Dickinson Reservoir in the State of North Dakota

As ordered reported by the House Committee on Natural Resources on July 18, 2018

H.R. 6038 would direct the Bureau of Reclamation (BOR) to convey certain federal land located near the Dickinson Reservoir in North Dakota to the Dickinson Parks and Recreation department. Under the bill, after the property is conveyed, the department could sell the property to certain existing cabin permit holders and the net proceeds of those transactions would be paid to the federal government. Those proceeds would be classified as offsetting receipts, which are treated as reductions in direct spending, and could subsequently be spent by BOR without further appropriation.

Enacting H.R. 6038 would increase offsetting receipts and the associated direct spending; therefore, pay-as-you-go procedures apply. However, CBO estimates that the net effect on the budget would be negligible. Enacting H.R. 6038 would not affect revenues.

Under H.R. 6038, BOR would convey specified federal property to the Dickinson Parks and Recreation department within 5 years after enactment. Using information from BOR, CBO expects that 41 cabin permit holders would purchase lots from the department for about \$100,000 per lot. CBO estimates that the department would transfer the net proceeds of about \$4 million to the federal government and those offsetting receipts would be spent for annual operations costs and deferred maintenance projects at the Dickinson Dam and Reservoir in North Dakota.

CBO estimates that enacting H.R. 6038 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6038 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

On July 9, 2018, CBO transmitted a cost estimate for S. 440, a bill to establish a procedure for the conveyance of certain Federal property around Dickinson Reservoir in the State of North Dakota, as ordered reported by the Senate Committee on Energy and Natural Resources on May 17, 2018. The two pieces of legislation are similar and CBO's estimates of their budgetary effects are the same.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.