



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 24, 2018

H.R. 6299

Nevada Lands Bill Technical Corrections Act of 2018

As ordered reported by the House Committee on Natural Resources on September 5, 2018

SUMMARY

H.R. 6299 would amend several current laws related to the management and conveyance of land managed by the Bureau of Land Management (BLM) in Nevada. The bill also would direct the Postal Service (USPS) to establish a new ZIP code for a community in Nevada. CBO estimates that implementing H.R. 6299 would cost less than \$500,000 over the 2019-2023 period; any spending would be subject to the availability of appropriated funds.

CBO also estimates that enacting the bill would increase direct spending by \$2 million over the 2019-2028 period; therefore, pay-as-you-go procedures apply. The bill would not affect revenues.

CBO estimates that enacting H.R. 6299 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6299 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

BASIS OF ESTIMATE

The estimated costs of the legislation fall within budget functions 300 (natural resources and environment) and 370 (commerce and housing credit). CBO assumes that the bill will be enacted before the end of 2018.

Direct Spending

In total, CBO estimates that enacting H.R. 6299 would increase direct spending by \$2 million over the 2019-2028 period.

Bureau of Land Management. Three current laws—the Lincoln County Land Act of 2000, the Lincoln County Conservation, Recreation, and Development Act of 2004, and the White Pine County Conservation, Recreation, and Development Act of 2006—provide for the disposal of public land within Lincoln and White Pine Counties in Nevada. Under those laws, proceeds from land sales are deposited into special accounts and are available to be spent without future appropriation by BLM to facilitate land sales, develop land management plans, and perform other specified activities in those counties.

H.R. 6299 would authorize BLM to use funds in those accounts to conduct fuel reduction and other wildfire prevention activities and to carry out a wildlife conservation plan in Lincoln County. In addition, the bill would authorize using those funds to cover the cost of processing land use authorizations and rights-of-way in White Pine County. (The affected accounts currently have unobligated balances totaling about \$31 million.) Thus, enacting the bill would increase direct spending outlays over the next 10 years for the new activities authorized in the bill. Using information from BLM about its plans to carry out the activities authorized under H.R. 6299, CBO estimates that enacting the bill would increase direct spending by \$2 million over the 2019-2028 period (about \$200,000 a year, on average).

CBO expects that most of that spending would be for fuel reduction and land conservation projects in Lincoln County. Using information from local planners, CBO expects that implementing the wildlife conservation plan for Lincoln County would cost around \$20 million over the next 30 years; however, most of those funds would come from state, local, and private contributions. Therefore, CBO does not expect that the bill would significantly increase federal spending for that activity. In addition, based on information provided by BLM regarding the amount of funds in the White Pine County special account, CBO estimates that any additional spending from that account would be negligible.

H.R. 6299 also would require the BLM to convey, at the request of Lincoln County, 400 acres of federal land located in the county. Under the bill, the federal government would retain mineral rights to the land. If the affected land contains existing rights-of-way that generate proceeds for the federal government, CBO estimates that conveying that land could reduce offsetting receipts, which are treated as reductions in direct spending. However, CBO expects that any reduction in offsetting receipts would be negligible.

Postal Service. Section 3 would require the USPS to establish a new ZIP code for a community in Nevada. Using information from the USPS, CBO estimates that phasing in an additional ZIP code would increase the agency's administrative and mail delivery costs by less than \$200,000 in fiscal year 2019 and by less than \$500,000 over the 2019-

2028 period. USPS cash flows are recorded in the federal budget in the Postal Service Fund and are classified as off-budget.

Spending Subject to Appropriation

CBO expects that under H.R. 6299, BLM would incur costs associated with the land conveyance to Lincoln County. Based on the costs of similar activities, CBO estimates that those costs would not be significant.

H.R. 6299 also would make technical adjustments to the boundaries of several federal wilderness areas and a utility corridor on public land in Nevada and aim to expedite authorized conveyances of federal land to White Pine and Storey Counties. In addition, the bill would validate a corrective patent issued by BLM for specific land in Clark County and authorize BLM to issue a corrective patent for land in Lincoln County. CBO estimates that the cost of implementing those provisions would not be significant.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table. (Only on-budget changes to outlays or revenues are subject to pay-as-you-go procedures.)

CBO Estimate of Pay-As-You-Go Effects for H.R. 6299 as Ordered Reported by the House Committee on Natural Resources on September 5, 2018

| | By Fiscal Year, in Millions of Dollars | | | | | | | | | | | | 2018- | 2018- |
|--|--|------|------|------|------|------|------|------|------|------|------|------|-------|-------|
| | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2028 | 2023 | 2028 |
| NET INCREASE IN THE ON-BUDGET DEFICIT | | | | | | | | | | | | | | |
| Statutory Pay-As-You-Go Impact | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting H.R. 6299 would not significantly increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

MANDATES

H.R. 6299 contains no intergovernmental or private-sector mandates as defined in UMRA.

PREVIOUS CBO ESTIMATE

On September 13, 2017, CBO transmitted a cost estimate for H.R. 2374, the Eastern Nevada Economic Development and Land Management Improvement Act, as ordered reported by the House Committee on Natural Resources on July 26, 2017. That legislation is similar to provisions of H.R. 6299, and CBO's estimates of the budgetary effects of those provisions are the same.

ESTIMATE PREPARED BY

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