



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 17, 1999

S. 604

Lake Oconee Land Exchange Act

As ordered reported by the Senate Committee on Agriculture on May 26, 1999

CBO estimates that enacting S. 604 would have no significant impact on the federal budget. Because the bill would affect receipts and direct spending, pay-as-you-go procedures would apply, but we estimate that the cost to the federal government would be less than \$100,000 each year.

S. 604 would direct the Secretary of Agriculture to convey to the Georgia Power Company about 1,275 acres of federal land located in Lake Oconee, Georgia, and a cash payment of \$23,250. In exchange, the company would convey to the Secretary about 1,175 acres of land in and near the Chattahoochee and Oconee National Forests in the state of Georgia. The exchange would be made pursuant to an agreement reached between the Forest Service and the company, as amended on August 17, 1998. S. 604 also would prohibit the Federal Energy Regulatory Commission (FERC) from charging the company an occupancy fee for interests conveyed to the company in the exchange.

Under current law, the Forest Service expects to complete the land exchange with the company under the existing agreement, and to make the cash equalization payment from funds already appropriated for land acquisition. According to FERC and the company, under current law FERC will continue to charge the company an occupancy fee after the exchange is completed—probably around \$100,000 a year—because that fee is based on federal interests in the land other than the title to the land that the Forest Service plans to convey to the company. The state of Georgia receives 37.5 percent of the gross occupancy fees collected by FERC for this site. Because S. 604 would waive the occupancy fees charged to the Georgia Power Company for this site, we estimate that enacting the bill would result in forgone receipts to the Treasury of less than \$100,000 each year, net of payments to the state.

S. 604 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. Because the state of Georgia would otherwise receive a share of the

occupancy fees waived by this bill, its enactment would result in a small cost to the state—less than \$50,000 each year. The bill would have no other impact on the budgets of state, local, or tribal governments.

The CBO staff contacts are Victoria Heid Hall (for federal costs) and Marjorie Miller (for the state and local impact). This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.