



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 23, 2003

H.R. 1204

A bill to amend the National Wildlife Refuge System Administration Act of 1966 to establish requirements for the award of concessions in the National Wildlife Refuge System to provide for maintenance and repair of properties located in the System by concessionaires authorized to use such properties

As ordered reported by the House Committee on Resources on September 24, 2003

H.R. 1204 would establish a new policy governing the use of private concessioners to provide public accommodations and services at national wildlife refuges. CBO estimates that enacting the bill would have no significant impact on the federal budget. H.R. 1204 would affect direct spending (including offsetting receipts), but we estimate that any impact would be negligible.

The bill contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would have no significant impact on the budgets of state, local, or tribal governments.

H.R. 1204 would require the U.S. Fish and Wildlife Service (USFWS) to enter into agreements with concessioners only through formal contracts. The bill would require that each standardized contract contain a provision allowing the concessioner to provide maintenance or other work directly benefitting the facilities it uses in exchange for paying a lower fee to the government. Any fees that are received from concessioners could be spent without further appropriation for purposes such as contract administration and refuge improvements.

At present, agreements between the USFWS and concessioners (including nonprofit organizations) take several different forms, including contracts, special-use permits, and memoranda of understanding. Few of these agreements result in any income to the government. The offsetting receipts presently collected (less than \$300,000 a year) are deposited into the National Wildlife Refuge Fund and later spent, without further appropriation, on administrative costs or refuge revenue-sharing payments to local governments.

CBO expects that implementing H.R. 1204 would cause a permanent loss of offsetting receipts over the next few years because both the USFWS and its current contractors would probably find it advantageous to renegotiate existing fee-generating agreements as quickly as the bill would allow. New contracts would allow these concessioners to provide maintenance and related work on the property they use in consideration for reduced concessions fees or lease payments—an exchange that is not permitted under existing law. Because spending would fall correspondingly, there would be no net impact of these changes on the federal budget.

The CBO staff contact for this estimate is Deborah Reis. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.