



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 8, 1998

S. 2513
Oregon Public Land Transfer and Protection Act of 1998

*As reported by the Senate Committee on Energy and Natural Resources on
October 6, 1998*

SUMMARY

S. 2513 would transfer administrative jurisdiction over certain federal lands in the state of Oregon between the Bureau of Land Management (BLM) and the U.S. Forest Service. The bill also would modify the Secretary of the Interior's authority to sell, purchase, or exchange certain federal land managed by BLM in Oregon.

CBO estimates that enacting S. 2513 would not have a significant impact on the federal budget over the 1999-2008 period. Because the bill would affect direct spending, pay-as-you-go procedures would apply; however, CBO estimates that such effects would total less than \$500,000 each year.

S. 2513 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would have no significant impact on the budgets of state, local, or tribal governments.

BACKGROUND

Under current law, offsetting receipts generated from federal land result in payments to states and counties based on formulas specific to the federal land category. S. 2513 would affect three categories of federal land in Oregon: National Forest System (NFS) lands, which are managed by the U.S. Forest Service (within the Department of Agriculture); public domain (PD) lands, which are managed by BLM (within the Department of the Interior); and revested Oregon and California (O&C) Railroad grant lands, which are managed by BLM or the Forest Service.

Under current law, amounts equivalent to 25 percent of offsetting receipts from NFS land are distributed to states for the benefit of counties; amounts equivalent to 5 percent of net receipts generated on PD land are distributed to the states; and amounts equivalent to 50 percent of receipts from Oregon and California grant lands are distributed to counties. However, a different payment process is temporarily in effect for counties in which federal land is affected by decisions related to the northern spotted owl. Under the Omnibus Budget Reconciliation Act of 1993 (OBRA-93), those counties receive a special guaranteed payment through fiscal year 2003 based on the historic levels of receipt-sharing payments. Beginning in fiscal year 2004, those guaranteed special payments will end and the underlying receipt-sharing formulas will take effect again.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO estimates that enacting S. 2513 would not have a significant impact on the federal budget over the 1999-2008 period.

Title I would change the administration of about 8,950 acres of federal lands within the Rogue River National Forest in Oregon by transferring jurisdiction between BLM and the Forest Service. Title I also specifies the legal category of the transferred lands, each of which has an associated receipt-sharing formula. Implementing these changes in land status would alter the receipt-sharing formula for 3,690 acres: 2,058 acres currently categorized as PD land would be redesignated as NFS land, and 1,632 acres currently categorized as NFS land would be redesignated as PD land. Of the 3,690 acres affected by these changes, 235 acres are temporarily subject to the OBRA-93 special payments for lands affected by federal decisions regarding the northern spotted owl. After 2003, the bill would result in a net increase of 426 acres subject to the more generous NFS formula instead of the PD formula.

CBO estimates that title I would increase payments to Oregon and counties within the state, but that the increase would be less than \$500,000 a year. Once the special guaranteed payments to counties affected by northern spotted owl decisions expire at the end of 2003, title I would make more federal acreage subject to the 25-percent receipt-sharing formula. For purposes of this estimate, CBO assumes there will be no significant change in the current restrictions on timber harvests affected by the northern spotted owl decisions. Because little timber is being harvested on those lands now, we estimate that a more generous receipt-sharing formula on those acres would not result in a significant increase in payments to Oregon in any year over the 1999-2008 period.

Title II would require the Secretary to ensure no net loss of certain types of acres when federal land is sold, purchased, and exchanged within six BLM districts: Medford, Roseburg, Eugene, Salem, Coos Bay, and the Klamath Resource Area within the Lakeview district. The provisions in title II could affect direct spending (including offsetting receipts) if they resulted in changes to timber harvests on federal land and the associated payments to states and counties. However, CBO estimates that any such effects would likely be insignificant over the next ten years.

PAY-AS-YOU-GO CONSIDERATIONS

The Balanced Budget and Emergency Deficit Control Act sets up pay-as-you-go procedures for legislation affecting direct spending or receipts. CBO estimates that S. 2513 would affect direct spending, but that such changes would be less than \$500,000 a year over the 1999-2008 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2513 contains no intergovernmental or private-sector mandates as defined in UMRA and would have no significant impact on the budgets of state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On September 22, 1998, CBO prepared a cost estimate for H.R. 4326, the Oregon Public Lands Transfer and Protection Act of 1998, as ordered reported by the House Committee on Resources on July 29, 1998. Title I of S. 2513 is similar to title I of H.R. 4326, and the estimated costs are the same. Title II of S. 2513 differs from title II in H.R. 4326.

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