CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 8, 2002

S. 2565
Wild Sky Wilderness Act of 2002

As reported by the Senate Committee on Energy and Natural Resources
on October 8, 2002

SUMMARY

S. 2565 would designate the Wild Sky Wilderness on 106,000 acres of federal lands within the Mount Baker-Snoqualmie National Forest in Washington and would authorize the Secretary of Agriculture to acquire nonfederal lands and interests within the proposed wilderness. The bill would require the Secretary to design a plan to establish hiking trails within the proposed wilderness and report to the Congress on the implementation of that plan. Finally, S. 2565 would direct the Secretary to convey to a local public utility district a permanent easement to operate a snow-monitoring device on 1.82 acres of national forest land in exchange for roughly 372 acres of land owned by that district.

CBO estimates that implementing S. 2565 would cost $18 million over the 2003-2007 period, assuming appropriation of the necessary amounts. The bill could affect direct spending (including offsetting receipts), but we estimate that any such effects would be negligible. S. 2565 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2565 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars				
	2003	2004	2005	2006	2007

CHANGES IN SPENDING SUBJECT TO APPROPRIATION

Estimated Authorization Level	7	5	4	1	1
Estimated Outlays	7	5	4	1	1

BASIS OF ESTIMATE

CBO estimates that implementing S. 2565 would cost $18 million over the 2003-2007 period, assuming appropriation of the necessary amounts. We also estimate that the bill could increase direct spending, but that any such effects would not be significant in any year. For this estimate, CBO assumes that S. 2565 will be enacted near the start of fiscal year 2003 and that necessary funds will be provided near the start of each year. Estimates of outlays are based on historical spending patterns for similar activities.

Spending Subject to Appropriation

Based on information from the Forest Service, CBO estimates that designating the proposed wilderness would increase the agency's administrative costs by roughly $250,000 a year. We also estimate that the agency would spend: $6 million over the 2003-2005 period to remove 41 miles of road that currently exist within the proposed wilderness; $4 million over the 2003-2006 period to design and implement a system of hiking trails; and up to $7 million over the 2003-2005 period to acquire nonfederal lands and interests within the proposed wilderness.

Direct Spending

Designating federal lands as wilderness could result in forgone offsetting receipts (a credit against direct spending) if, under current law, those lands would generate income from activities such as timber harvesting and mining. According to the Forest Service, however, these lands currently generate no significant receipts and are not expected to do so over the next 10 years. Hence, CBO estimates that any forgone receipts under S. 2565 would be negligible.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2565 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

PREVIOUS CBO ESTIMATE

On September 23, 2002, CBO transmitted a cost estimate for H.R. 4844, similar legislation, as ordered reported by the House Committee on Resources on September 12, 2002. The two bills are substantively similar, and our cost estimates are the same.

ESTIMATE PREPARED BY:

Federal Costs: Megan Carroll
Impact on State, Local, and Tribal Governments: Marjorie Miller
Impact on the Private Sector: Lauren Marks

ESTIMATE APPROVED BY:

Peter H. Fontaine
Deputy Assistant Director for Budget Analysis