



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 27, 1999

S. 905

Lackawanna Valley National Heritage Area Act of 1999

*As ordered reported by the Senate Committee on Energy and Natural Resources
on September 22, 1999*

S. 905 would establish the Lackawanna Valley National Heritage Area in Pennsylvania. The bill would direct the National Park Service (NPS) to execute an agreement with the Lackawanna Heritage Valley Authority (LHVA) authorizing the LHVA to manage the heritage area. The bill would require the LHVA to develop a management plan for the heritage area, including an inventory of resources and recommendations for financing, managing, and protecting the area's resources. The NPS would provide technical and financial assistance to the LHVA and would approve or disapprove the management plan. The NPS's authority to assist the LHVA would expire on September 30, 2012. Finally, the bill would authorize the appropriation of \$10 million for the heritage area, not to exceed \$1 million annually.

Assuming appropriation of the authorized amounts, CBO estimates that the NPS would provide the LHVA with \$1 million for each of fiscal years 2000 through 2009, for a total cost of \$10 million. (That total could be spread over a period of up to 13 years.) Such amounts would be used to cover a portion of the costs of establishing, operating, and interpreting the heritage area. Implementing S. 905 would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

The bill contains no private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). S. 905 would impose new intergovernmental mandates on the Lackawanna Heritage Valley Authority a public entity, by requiring the development of a management plan for the heritage area and certain activities to assist local governments and other organizations. These requirements would be intergovernmental mandates, as defined in UMRA. Based on information provided by the authority, CBO estimates that the costs imposed by these mandates would be far below the threshold established by that act (\$50 million in 1996, adjusted annually for inflation). Further, the bill would authorize appropriations to cover up to 50 percent of total spending for these activities. S. 905 would impose no costs on other state, local, or tribal governments.

On August 2, 1999, CBO prepared a cost estimate for H.R. 940, the Lackawanna Valley National Heritage Area Act of 1999, as ordered reported by the House Committee on Resources on July 21, 1999. H.R. 940 contains provisions on the Lackawanna Valley Heritage Area that are similar to those in S. 905 and it also would authorize funds for another heritage area.

The CBO staff contacts are Deborah Reis (for federal costs), and Marjorie Miller (for the state and local impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.