



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 18, 2014

S. 37 **Forest Jobs and Recreation Act of 2013**

*As ordered reported by the Senate Committee on Energy and Natural Resources
on December 19, 2013*

SUMMARY

S. 37 would establish a pilot program to carry out watershed restoration projects and increase the area in certain national forests where tree-thinning activities would be undertaken. The bill also would add about 640,000 acres of federal lands administered by the Forest Service and the Bureau of Land Management (BLM) to the National Wilderness Preservation System. Finally, the bill would designate parcels totaling about 390,000 acres of federal lands as special management areas.

Based on information provided by the Forest Service, CBO estimates that implementing the legislation would cost \$25 million over the 2014-2019 period, assuming appropriation of the necessary amounts. Implementing S. 37 could affect offsetting receipts from timber sales; however, any increase in receipts would be contingent on future appropriations and not directly attributable to this bill. Because enacting the bill would not directly affect direct spending and would have no effect on revenues, pay-as-you-go procedures do not apply.

S. 37 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 37 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						2014-2019
	2014	2015	2016	2017	2018	2019	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION							
Estimated Authorization Level	4	4	4	5	5	5	27
Estimated Outlays	2	4	4	5	5	5	25

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted in 2014 and that the necessary funds will be appropriated for each fiscal year, including supplemental amounts for 2014. Estimated outlays are based on historical spending patterns for similar programs.

S. 37 would require the Forest Service to reduce the density of trees on a specified number of acres each year within the Beaverhead-Deerlodge and Kootenai National Forests. The bill also would require the Forest Service to conduct annual watershed restoration projects in the affected forests. Based on information provided by the agency regarding the cost of conducting similar activities, CBO estimates that implementing those provisions would cost \$25 million over the 2014-2019 period, assuming appropriation of the necessary amounts.

The bill also would designate roughly 1 million acres to be managed for conservation and recreational purposes. Because implementing the bill would not significantly affect the costs to administer the affected lands, which are already managed by the Forest Service and BLM, CBO estimates that implementing those provisions would have no significant effect on the federal budget.

Finally, implementing S. 37 could increase gross offsetting receipts from the sale of harvested timber; however, any increase in receipts, which CBO estimates would probably be less than \$500,000 annually, would be contingent on future appropriations.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 37 contains no intergovernmental or private-sector mandates as defined in UMRA.

PAY-AS-YOU-GO CONSIDERATIONS: None.

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