



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 25, 2010

H.R. 2340 **Salmon Lake Land Selection Resolution Act**

As ordered reported by the House Committee on Natural Resources on June 16, 2010

SUMMARY

H.R. 2340 would ratify an agreement settling a land dispute between the state of Alaska and the Bering Straits Native Corporation (a native-owned regional corporation established to administer land given to Alaska Natives under the Alaska Native Claims Settlement Act). Based on information from the Bureau of Land Management (BLM), CBO expects that implementing the legislation would increase direct spending; therefore, pay-as-you-go procedures would apply. CBO estimates, however, that such effects would be negligible for each year.

H.R. 2340 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

Under the bill, the federal government would convey about 18,000 acres of land located in western Alaska to the Bering Straits Native Corporation and the state of Alaska to satisfy claims made by those parties under the Alaska Native Claims Settlement Act and the Alaska Statehood Act, respectively. The federal government currently collects about \$1,500 per year from a lease on the affected land. Thus, CBO estimates that conveying that land would reduce offsetting receipts (a credit against direct spending) by less than \$20,000 over the 2010-2020 period. In addition, upon enactment of the bill, BLM would transfer 90 percent of all receipts collected over the life of the lease (about \$15,000 to date) to the state of Alaska and would deposit the remaining 10 percent of those funds in the U.S. Treasury. In total, CBO estimates that implementing the bill would increase direct spending by about \$30,000 over the 2010-2020 period.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. H.R. 2340 would reduce offsetting receipts and increase direct spending; therefore, pay-as-you-go procedures would apply. However, CBO estimates that the increase in direct spending would not be significant over the 2010-2020 period. The net budgetary changes that are subject to pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 2340, the Salmon Lake Land Selection Resolution Act, as ordered reported by the House Committee on Natural Resources on June 16, 2010

	By Fiscal Year, in Millions of Dollars											2010- 2015	2010- 2020
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
NET INCREASE OR DECREASE (-) IN THE DEFICIT													
Statutory Pay-As-You-Go Impact	0	0	0	0	0	0	0	0	0	0	0	0	0

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 2340 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 January 12, 2010, CBO transmitted a cost estimate for S. 522, the Salmon Lake Land Selection Resolution Act, as ordered reported by the Senate Committee on Energy and Natural Resources on December 16, 2009. At that time, CBO estimated that implementing S. 522 would reduce offsetting receipts by less than \$20,000 over the 2010-2020 period.

The two bills are very similar. Based on new information from BLM, CBO now estimates that enacting either S. 522 or H.R. 2340 also would increase direct spending by \$15,000 for payments to Alaska from receipts accrued over the life of a lease on the affected land. CBO now estimates that both bills would increase direct spending by about \$30,000 over the 2010-2020 period.

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