



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 7, 2012

H.R. 4402 **National Strategic and Critical Minerals Production Act of 2012**

As ordered reported by the House Committee on Natural Resources on May 16, 2012

CBO estimates that implementing H.R. 4402 would have no significant impact on the federal budget. Enacting the bill could reduce mandatory payments for attorneys' fees over the 2013-2022 period; therefore, pay-as-you-go procedures apply. However, CBO estimates that any such impacts would be minimal. Enacting the bill would not affect revenues.

The bill would require the Bureau of Land Management (BLM) and the Forest Service to take certain actions aimed at streamlining the process for obtaining permits to extract minerals from federal lands. Based on information from the affected agencies, CBO estimates that the streamlining provisions would have no significant budgetary effect because those agencies are performing most of those activities under current law. The bill also would direct the agencies to expedite the publishing of notices in the Federal Register related to mineral exploration and mining projects. Based on information provided by BLM, CBO estimates that implementing that provision would cost less than \$300,000 a year, assuming appropriation of the necessary amounts. Those funds would be used to hire additional employees to allow the affected agencies to meet the timelines established in the bill.

Finally, H.R. 4402 would exempt lawsuits that affect mineral production on federal lands from the Equal Access to Justice Act. Based on information from the Government Accountability Office, CBO estimates that over the next 10 years, the U.S. Treasury will make payments totaling less than \$50,000 a year on behalf of the Department of the Interior and the Forest Service as a result of such lawsuits. Thus, we estimate that enacting the bill would result in a minimal decrease in direct spending for attorneys' fees over the 2013-2022 period.

H.R. 4402 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.