



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 30, 2013

**H.R. 1063
National Strategic and Critical Minerals Policy Act of 2013**

As ordered reported by the House Committee on Natural Resources on May 15, 2013

SUMMARY

H.R. 1063 would require the Secretary of the Interior to complete a global assessment of certain minerals used for manufacturing, agricultural, and national security purposes. The bill also would require the Secretary to complete a comprehensive report related to domestic production of such minerals.

Based on information provided by the United States Geological Survey (USGS) and the Bureau of Land Management (BLM), CBO estimates that implementing the legislation would cost \$18 million over the 2014-2018 period, assuming appropriation of the necessary amounts. Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 1063 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 1063 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- 2018
	2014	2015	2016	2017	2018	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Global Mineral Assessment						
Estimated Authorization Level	3	3	3	3	3	15
Estimated Outlays	3	3	3	3	3	15
Mineral Report						
Estimated Authorization Level	1	1	1	0	0	3
Estimated Outlays	1	1	1	0	0	3
Total Proposed Changes						
Estimated Authorization Level	4	4	4	3	3	18
Estimated Outlays	4	4	4	3	3	18

BASIS OF ESTIMATE

For this estimate, CBO assumes that the legislation will be enacted during 2013 and that the necessary amounts will be appropriated for each fiscal year. Estimated outlays are based on historical spending patterns for similar USGS activities.

H.R. 1063 would require USGS to expand its ongoing global mineral assessment to include certain minerals used for manufacturing, agricultural, and national security purposes. In 2001, USGS began working on the global assessment, which will include assessments of three mineral commodities, and is expected to complete that assessment in 2013 under current law. The bill would require the agency to complete a global assessment of at least six additional commodities. Based on information from the agency regarding the cost and time required to complete the ongoing global assessment, CBO estimates that expanding that assessment would cost about \$3 million a year. Those amounts would be used to pay for additional staff, contract costs, and international travel.

The bill also would require the Department of the Interior to gather data related to mineral production from multiple federal agencies and to complete a report that would be updated annually through 2016. Based on information regarding the costs of similar activities and assuming appropriation of the necessary amounts, CBO estimates that implementing this provision would cost about \$1 million a year over the 2014-2016 period. Those amounts would be used to develop data tracking systems and to hire additional staff to gather, input, analyze, and update the data.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1063 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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