



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

May 28, 2013

**H.R. 981**  
**RARE Act of 2013**

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

**SUMMARY**

H.R. 981 would authorize the appropriation of \$10 million for the United States Geological Survey (USGS) to conduct a global assessment of rare earth elements (a group of elements that are rarely found in high concentrations). Assuming appropriation of the authorized amounts, CBO estimates that implementing the legislation would cost \$10 million over the 2014-2016 period.

Enacting H.R. 981 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 981 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. 981 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

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	By Fiscal Year, in Millions of Dollars					
	2014	2015	2016	2017	2018	2014- 2018

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**CHANGES IN SPENDING SUBJECT TO APPROPRIATION**

Authorization Level	10	0	0	0	0	10
Estimated Outlays	4	4	2	0	0	10

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## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that the legislation will be enacted before the end of 2013 and that the entire amount authorized to be appropriated over the 2014-2016 period would be appropriated in 2014. Estimated outlays are based on historical spending patterns for similar USGS activities.

H.R. 981 would require USGS to complete a global assessment of rare earth elements over a three-year period. The assessment would identify and quantify known deposits of rare earth elements and determine the geological conditions necessary to form such deposits. The assessment also would recommend future geological research projects related to rare earth elements and scarce minerals and analyze the process by which deposits of rare earth elements are brought to market. Assuming appropriation of the authorized amounts, CBO estimates that implementing H.R. 981 would cost \$10 million over the 2014-2018 period.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 981 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

## **ESTIMATE PREPARED BY:**

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