



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 7, 2015

H.R. 1937

National Strategic and Critical Minerals Production Act of 2015

As ordered reported by the House Committee on Natural Resources on July 9, 2015

CBO estimates that implementing H.R. 1937 would have no significant effect on the federal budget. Because enacting the bill could reduce mandatory payments for attorneys' fees over the 2016-2025 period, pay-as-you-go procedures apply. However, CBO estimates that any such effects would be minimal. Enacting the bill would not affect revenues.

H.R. 1937 would require the Bureau of Land Management (BLM) and the Forest Service to take actions aimed at simplifying the process for obtaining permits to extract minerals from federal lands. Based on information from the affected agencies, CBO estimates that those provisions would have no significant budgetary effect because those agencies are already performing most of the 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 availability of appropriated funds. 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. 1937 would exempt lawsuits that affect mineral exploration or mining permits on federal lands from the Equal Access to Justice Act. That act requires the U.S. Treasury to pay attorneys' fees and other legal costs for certain plaintiffs who prevail in court proceedings against the federal government. Over the 2005-2015 period, total payments made on behalf of BLM, the Forest Service, and the Office of Surface Mining Reclamation and Enforcement from the Judgment Fund of the U.S. Treasury to cover attorneys' fees under that act averaged about \$600,000 a year. Based on information from the Government Accountability Office, the Treasury Department, and the affected land management agencies, CBO estimates that only a small portion of that amount was paid to plaintiffs who prevailed in cases related to mineral exploration or mining permits. Thus, we estimate that enacting H.R. 1937 would reduce direct spending by less than \$50,000 a year over the 2016-2025 period.

H.R. 1937 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contacts for this estimate are Jeff LaFave and Ben Christopher. The estimate was approved by Theresa Gullo, Assistant Director for Budget Analysis.