



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 14, 2012

H.R. 4234 **Grazing Improvement Act of 2012**

As ordered reported by the House Committee on Natural Resources on June 7, 2012

CBO estimates that enacting H.R. 4234 would affect offsetting receipts (a credit against direct spending); therefore, pay-as-you-go procedures apply. However, CBO estimates that any such effects would be minimal over the 2013-2022 period. We also estimate that implementing the legislation would have no significant impact on discretionary spending. Enacting H.R. 4234 would not affect revenues.

H.R. 4234 would allow expired and transferred grazing permits to remain in effect until new permits are issued by the Bureau of Land Management (BLM) or the Forest Service. Based on information provided by the affected agencies, CBO estimates that enacting that provision would have a minimal impact on offsetting receipts each year because those agencies have the authority, under current law, to extend expired leases. The bill would allow BLM to collect offsetting receipts from transferred leases sooner than it would under current law; however, because the number of permits that would be affected each year account for less than 5 percent of all federal grazing permits, the budgetary impact would be minimal. In 2011, gross federal collections from grazing permits totaled about \$20 million.

The bill also would allow transferred permits to remain in effect under the terms of the original permit until that permit expires. Based on information provided by BLM, CBO expects that, under that provision, the agency would receive fewer requests for new permits in the short term; however, because those permits would need to be renewed in later years, CBO estimates that implementing the provision would have no significant net effect on agencies' workloads over the 2013-2017 period. The bill would exclude certain grazing lands from compliance with the National Environmental Policy Act (NEPA) and would give agencies that administer grazing permits the authority to exempt new permits from NEPA requirements. CBO estimates that those provisions would have a minimal effect on discretionary spending because we expect that any reduction in spending on NEPA activities on those lands would be offset by spending to reduce the agencies' backlog of NEPA activities on other federal grazing lands.

H.R. 4234 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.