

S. 534, Buffalo Tract Protection Act

As reported by the Senate Committee on Energy and Natural Resources on July 19, 2023

By Fiscal Year, Millions of Dollars		2023	2023-2028	2023-2033
Direct Spending (Outlays)		0	*	2
Revenues		0	0	0
Increase or Decrease (-) in the Deficit		0	*	2
Spending Subject to Appropriation (Outlays)		0	*	not estimated
Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034? < \$2.5 billion		Statutory pay-as-you-go procedures apply?		Yes
		Mandate Effects		
Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034? < \$5 billion		Contains intergovernmental mandate?		No
		Contains private-sector mandate?		No
* = between zero and \$500,000.				

S. 534 would withdraw roughly 4,300 acres of federal land in New Mexico from hardrock mining, mineral and geothermal leasing, and disposal under mineral materials laws, subject to valid existing rights. That is, the bill would not allow new mineral extraction from that land, which is managed by the Bureau of Land Management (BLM).

Using information from BLM, CBO expects that the proposed withdrawal area has high potential for sand and gravel extraction and minimal potential, if any, for development of all other minerals. However, CBO has no basis to estimate whether BLM will execute contracts for materials extraction on the affected land. In the absence of specific information, CBO uses a 50 percent probability that such contracts will be executed under current law.

On that basis, and accounting for payments to counties of 5 percent, we estimate that net federal receipts from sand and gravel production in the proposed withdrawal area would total about \$2 million over the 2023-2033 period. (Those receipts are recorded as reductions in direct spending.) Under the bill, the federal government would forgo those receipts starting in 2026, the earliest that CBO expects production of those materials could commence. Thus, CBO estimates that enacting S. 534 would increase direct spending by \$2 million over the 2023-2033 period.

See also

[CBO's Cost Estimates Explained](#), [CBO Describes Its Cost-Estimating Process](#), [Glossary](#)



Based on the costs of similar activities, CBO estimates that any administrative costs incurred by BLM to implement the withdrawal would be insignificant; such spending would be subject to the availability of appropriated funds.

The CBO staff contact for this estimate is Lilia Ledezma. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

A handwritten signature in black ink that reads "Phillip L. Swagel". The signature is fluid and cursive, with a long, sweeping tail.

Phillip L. Swagel
Director, Congressional Budget Office