



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 23, 2018

H.R. 6107 **Ending Duplicative Permitting Act**

As ordered reported by the House Committee on Natural Resources on June 27, 2018

H.R. 6107 would prohibit the Bureau of Land Management (BLM) from requiring businesses to obtain an approved application for a permit to drill (APD) for operations on lands where the surface estate is owned by a nonfederal entity and the federal interest in the mineral estate is less than 50 percent. In 2017, the Department of the Interior collected a total of \$31 million in fees from APDs. (Those fees are recorded as reductions in direct spending.) The agency is authorized to spend, without further appropriation, 85 percent of those amounts to administer the APD program through 2019. After 2019, the agency can spend all proceeds from APD fees. CBO expects that gross fee collections will total between \$31 million and \$37 million in 2019 and that net collections after spending will total \$5 million in that year. The affected lands account for between 10 percent and 30 percent of all APDs issued, and CBO estimates that enacting this provision would reduce net receipts by a similar percentage. Thus, CBO estimates that enacting this provision would cost \$1 million in 2019.

Because enacting the bill would affect direct spending, pay-as-you-go procedures apply. Enacting H.R. 6107 would not affect revenues.

CBO estimates that enacting H.R. 6107 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

H.R. 6107 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.