



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 9, 2013

H.R. 356 Hill Creek Cultural Preservation and Energy Development Act

As ordered reported by the House Committee on Natural Resources on April 24, 2013

H.R. 356 would authorize a conveyance of mineral rights within the Uintah and Ouray Indian Reservation in Utah among the state of Utah's School and Institutional Trust Land Administration (SITLA), the federal government, and the Ute Indian Tribe. SITLA currently owns the *subsurface* mineral rights to approximately 18,000 acres in the Hill Creek Extension of the reservation; however, the *surface* rights to that land are held in trust for the Ute Indian Tribe by the federal government. The legislation would authorize SITLA to relinquish to the Ute Indian Tribe its subsurface mineral rights in exchange for the subsurface rights to about 18,000 acres of other land within the Hill Creek Extension owned by the federal government.

CBO estimates that the legislation would have no significant impact on the federal budget over the 2014-2023 period. Enacting H.R. 356 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 356 would authorize a transfer of federally owned subsurface mineral rights for an equivalent number of acres of state land. However, the acres transferred may not have the same value because mineral deposits are not evenly spread across all areas. To compensate for such a potential imbalance, H.R. 356 would preserve a royalty interest in the value of any subsurface minerals that are developed on the transferred properties for the state and the federal governments.

H.R. 356 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act. Enacting the bill would benefit the tribe and state.

The CBO staff contact for this estimate is Martin von Gnechten. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.