



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 11, 2006

S. 660

Lumbee Recognition Act

As ordered reported by the Senate Committee on Indian Affairs on August 2, 2006

SUMMARY

S. 660 would provide federal recognition to the Lumbee Tribe of North Carolina. CBO estimates that implementing this legislation would cost the federal government about \$80 million in fiscal year 2007 and \$473 million over the 2007-2011 period, assuming the appropriation of the necessary funds. Enacting S. 660 would have no effect on direct spending or revenues.

S. 660 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no direct costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 660 is shown in the following table. The costs of this legislation fall within budget functions 450 (community and regional development) and 550 (health).

	By Fiscal Year, in Millions of Dollars				
	2007	2008	2009	2010	2011
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Bureau of Indian Affairs					
Estimated Authorization Level	22	22	23	23	24
Estimated Outlays	15	21	22	23	23
Indian Health Service					
Estimated Authorization Level	70	72	75	78	81
Estimated Outlays	63	72	75	78	81
Total Changes					
Estimated Authorization Level	92	94	98	101	105
Estimated Outlays	78	93	97	101	104

BASIS OF ESTIMATE

S. 660 would provide federal recognition to the Lumbee Tribe of North Carolina. Such recognition would allow the Lumbee to receive funding from various programs administered by the Bureau of Indian Affairs (BIA), including child welfare services, adult care, family services, general assistance, and the Indian Health Service (IHS).

Bureau of Indian Affairs

BIA provides funding to federally recognized Indian tribes based on membership population or acreage of land held in trust by the federal government. Based on information from the Lumbee Tribe, there are approximately 39,700 Lumbee currently residing “on or near the reservation” as defined by the bill. Assuming the appropriation of the necessary funds, CBO estimates that implementing S. 660 would cost approximately \$15 million in 2007 and \$104 million in BIA funding over the 2007-2011 period. This estimate is based on expenditures for other federally recognized tribes located in the eastern United States; the Lumbee Tribe may qualify for more or fewer services and funding than other tribes in the region, thus the cost to implement this bill is uncertain.

Indian Health Service

S. 660 also would make members of the Lumbee Tribe eligible to receive health benefits from the Indian Health Service. Based on information from IHS, CBO estimates that about 55 percent of tribal members—or about 22,000 people—would receive benefits each year. CBO assumes that the cost to serve those individuals would be similar to funding for current beneficiaries—about \$3,100 per person in 2007. Assuming appropriation of the necessary funds, CBO estimates that IHS benefits for the Lumbee Tribe would cost \$63 million in 2007 and \$369 million over the 2007-2011 period.

Other

In addition to BIA and IHS funds, certain Indian tribes also receive funding from other federal programs within the Departments of Education, Housing and Urban Development, Labor, and Agriculture. Based on their status as a state-recognized tribe, the Lumbee are currently eligible to receive funding from those sources. Thus, CBO estimates that enactment of S.660 would not add to the cost of those programs.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 660 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no direct costs on state, local, or tribal governments.

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