



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 10, 2004

S. 1715

Department of the Interior Tribal Self-Governance Act of 2004

As ordered reported by the Senate Committee on Indian Affairs on June 16, 2004

SUMMARY

S. 1715 would amend title IV of the Indian Self-Determination and Education Assistance Act (ISDEA) to make it more consistent with the provisions of title V of the act. Under ISDEA, tribes enter into agreements with federal agencies to administer federal programs that benefit the tribes. Title IV of ISDEA generally is concerned with agreements between tribes and agencies of the Department of the Interior, while title V of the act governs agreements between tribes and the Department of Health and Human Services. Significant provisions would:

- Remove the current program participation limit of 50 new tribes per year;
- Expand self-governance funding agreements to include non-BIA programs;
- Clarify the circumstances under which the Secretary of the Interior may resume administration of programs; and
- Establish a rulemaking committee of federal and tribal representatives to replace existing regulations implementing title IV.

Based on information from the Bureau of Indian Affairs (BIA), CBO expects that implementing most provisions of the bill would have no significant budgetary impact. One provision, however, would require that funds retained by BIA for project management and oversight of highway construction projects that are carried out by tribes under self-governance agreements be used for project costs. Based on information from BIA, CBO estimates that the agency would need about \$15 million a year to continue its management responsibilities for the highway program. Assuming appropriation of the necessary funds, CBO estimates that implementing the bill would cost \$73 million over the 2005-2009 period. Enacting S. 1715 would not affect direct spending or revenues.

S. 1715 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. Many of the changes made by this legislation would benefit tribes that participate in self-governance compacts with the Department of the Interior.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1715 is shown in the following table. The costs of this legislation fall within budget function 450 (community and regional development).

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Program Management & Oversight for Indian Reservation					
Roads Program					
Estimated Authorization Level	14	15	15	15	16
Estimated Outlays	13	15	15	15	16

BASIS OF ESTIMATE

CBO estimates that implementing S. 1715 would cost \$73 million over the five-year period, subject to the appropriation of the necessary amounts. For this estimate, CBO assumes that S. 1715 will be enacted near the beginning of fiscal year 2005 and that outlays will follow historical patterns of similar programs.

Annual appropriation acts for the Department of the Interior have authorized the BIA to withhold up to 6 percent of the amounts available for road construction under the Indian Reservation Roads (IRR) program for management and oversight activities. Section 408 of S. 1715 would authorize all funds available to the IRR program to be used for road projects. Based on information from BIA, CBO estimates that the agency would need about \$15 million a year to continue its management and oversight responsibilities under the bill to fill the gap that would be created by devoting all IRR construction funds to road projects.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1715 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Many of the changes made by this legislation would benefit tribes that participate in self-governance compacts with the Department of the Interior.

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