



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 1, 2001

S. 91 **Native American Language Act Amendments Act of 2001**

*As ordered reported by the Senate Committee on Indian Affairs
on July 24, 2001*

SUMMARY

S. 91 would authorize the appropriation of such sums as may be necessary for a new grant program for native language schools and related programs for Native Americans. The grants would be authorized through 2007, administered by the Secretary of Education, and subject to the availability of appropriated funds. Assuming appropriation of the necessary amounts, CBO estimates that spending to implement the bill would total about \$45 million over the 2002-2006 period. S. 91 would not affect direct spending or receipts, so pay-as-you-go procedures would not apply to the bill.

S. 91 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. Implementing this bill would benefit tribal governments and any costs associated with it would be voluntary.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 91 is shown in the following table. The costs of this legislation fall within budget function 500 (education, employment training, and social services).

	By Fiscal Year, in Millions of Dollars					
	2001	2002	2003	2004	2005	2006
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	0	7	9	13	20	25
Estimated Outlays	0	*	6	8	12	19

NOTE: * = less than \$500,000.

BASIS OF ESTIMATE

For the purposes of this estimate, CBO assumes that S. 91 will be enacted by October 1, 2001, and that the funds necessary to implement the bill will be appropriated for each fiscal year. Estimated outlays reflect the spending rates of other Indian education grant programs of the Department of Education.

This bill would authorize the appropriation of such sums as may be necessary for fiscal years 2002 through 2007 for federal grants to Native American organizations for the purpose of operating Native American language survival schools and Native American language nests. The language survival schools enroll children eligible for elementary or secondary education and use the native language as the dominant language for instruction. To be eligible for funds, a school would have to have at least three years of experience in operating a program in which the instruction is conducted in the native language, and the program would have to provide for a minimum of 700 hours of instruction per student annually for at least 15 students.

Under the bill, Native American language nests are full-time programs targeted at children below the age of seven, in which native language and culture would be taught and supporting services to their families would be provided. To be eligible for funding, nests would have to enroll at least 10 children and receive at least 5 percent of its funding from other sources, including other federal grants.

The bill would also authorize demonstration grants for three entities to assist Native American organizations with the establishment of language survival schools and nests. Those organizations are the Ka Haka 'Ula O Ke'elikolani College of the University of Hawaii at Hilo in consortium with the 'Aha Punana Leo, Inc., the Alaska Native Language Center of the University of Alaska at Fairbanks, and the Piegan Institute of Browning, Montana.

The purposes and uses of the funds authorized by this bill are very broadly defined; thus, the costs are difficult to estimate. CBO used data obtained from the Department of Education and various Native American organizations currently involved in similar programs to estimate the potential cost of the bill.

CBO estimates that implementing this bill would require appropriations of \$7 million in 2002 and \$74 million over the 2002-2006 period. CBO estimates that 10 language survival schools could meet the three-year requirement today, and as many as 40 schools are in various stages of formation. CBO assumes that the existing schools would participate beginning in 2002. Participation by new schools would be phased in slowly, and CBO assumes that the additional 40 schools would participate with at least one operational classroom by 2007, the last year of the authorization. CBO further assumes that the bill would cover the operating budgets of these schools. Based on information for the current schools, the language survival schools are assumed to be small, serve fewer than 100 children each, and have average annual costs of about \$250,000 when fully operational.

Few Native American language nest programs exist today. CBO assumes that, by the end of the authorization period, about one-third of all of the 185 federally recognized Native American tribal organizations and the Native Hawaiian organizations would establish a nest program serving about 30 children and their parents. Based upon data for similar existing programs, the annual costs per nest are expected to average about \$250,000.

S. 91 would also authorize funds for three demonstration programs. Based on information from the three entities, CBO estimates that the cost of these grants would be \$3 million in 2002, including about \$1 million in one-time expenses. After 2002, annual costs would be \$2 million to \$3 million annually.

PAY-AS-YOU-GO CONSIDERATIONS: None.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

S. 91 contains no intergovernmental mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. This bill would authorize grants to tribal organizations to support the development of Native American Language Schools. Any costs incurred by the tribal government would result from conditions of aid and would therefore be voluntary.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

This bill contains no private-sector mandates as defined in UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Donna Wong

Impact on State, Local, and Tribal Governments: Elyse Goldman

Impact on the Private Sector: Nabeel Alsalam

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis