



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

November 3, 2003

S. 523

Native American Technical Corrections Act of 2003

As ordered reported by the House Committee on Resources on October 29, 2003

SUMMARY

S. 523 would authorize appropriations for various programs that affect Indians and Indian Tribes. CBO estimates that implementing S. 523 would cost \$14 million in 2004 and \$50 million over the 2004-2008 period, assuming appropriation of the necessary amounts.

Because S. 523 would direct the Secretary of the Interior to take 4,484 acres of federal lands and interests into trust on behalf of the Pueblo of Santa Clara and the Pueblo of San Ildefonso in New Mexico, enacting S. 523 could result in forgone offsetting receipts (a form of direct spending) from the lands that generate income from programs to develop natural resources. The affected lands currently generate no significant receipts. Based on information from the Bureau of Land Management (BLM), CBO estimates that enacting S. 523 would result in no significant direct spending effects.

S. 523 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. Enacting this legislation would benefit a number of Indian tribes.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 523 is shown in the following table. The cost of this legislation would fall within budget functions 300 (natural resources and environment), 450 (community and regional development), and 800 (general government).

	By Fiscal Year, in Millions of Dollars				
	2004	2005	2006	2007	2008
SPENDING SUBJECT TO APPROPRIATION					
Bosque Redondo Memorial Act					
Authorization Level	1	1	1	0	0
Estimated Outlays	1	1	1	0	0
Navajo-Hopi Land Settlement Act					
Estimated Authorization Level	7	7	7	8	8
Estimated Outlays	4	7	7	8	8
Rehabilitation of Celilo Indian Village					
Estimated Authorization Level	11	0	0	0	0
Estimated Outlays	7	4	0	0	0
Quinault Indian Nation Water Feasibility Study					
Estimated Authorization Level	1	0	0	0	0
Estimated Outlays	1	0	0	0	0
Santee Sioux Tribe Study and Report					
Estimated Authorization Level	1	0	0	0	0
Estimated Outlays	1	0	0	0	0
Total					
Estimated Authorization Level	21	8	8	8	8
Estimated Outlays	14	12	8	8	8

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 523 will be enacted early in fiscal year 2004 and that the necessary amounts will be appropriated for each fiscal year.

Spending Subject to Appropriation

CBO estimates that implementing S. 523 would cost about \$50 million over the 2004-2008 period to implement the activities that would be authorized by the bill.

Bosque Redondo Memorial. Section 101 would authorize the appropriation of \$1 million in 2004 and \$500,000 in years 2005 and 2006 for the Secretary of Defense to make grants to New Mexico for up to 50 percent of the cost of constructing the Bosque Redondo

Memorial within the boundaries of Fort Sumner State Monument. The state would be required to match the federal contributions to be eligible for the grants. Based on information from the state, CBO expects that those matching funds would be provided in the same year the federal share is appropriated. Assuming the appropriation of the specified amounts, CBO estimates that the federal share of the costs of constructing the monument would be \$2 million over the 2004-2006 period.

Navajo-Hopi Land Settlement. Section 102 would authorize the appropriation of funds through 2008 for Navajo and Hopi Indian housing and relocation benefits for tribal members living in disputed areas. Assuming appropriation of the necessary amounts, CBO estimates that this provision would cost \$34 million over the 2004-2008 period. This estimate assumes that annual appropriations over the 2004-2008 period would equal the \$7 million appropriated for fiscal year 2003 with an adjustment for anticipated inflation.

Rehabilitation of Celilo Indian Village. The act would authorize the U.S. Army Corps of Engineers to rehabilitate the Celilo Indian Village in Oregon. Based on information from the Corps, CBO estimates that this provision would cost \$11 million over the 2004-2008 period.

Quinault Indian Nation Water Feasibility Study. Section 126 would authorize the Secretary of the Interior to conduct a feasibility study of current and future domestic and commercial water supply needs of the Quinault Indian Nation. Based on information from the Bureau of Reclamation, CBO estimates that the study would cost \$1 million in fiscal year 2004, assuming appropriation of the necessary amount in that year.

Santee Sioux Tribe Study and Report. S. 523 would authorize the Bureau of Reclamation to determine the most feasible method of developing a safe and adequate municipal, rural, and industrial water treatment and distribution system for the Santee Sioux Tribe of Nebraska. Based on information from the agency, CBO estimates that this study would cost about \$500,000 over the 2004-2008 period.

Saginaw Chippewa Tribal College. The act would add the Saginaw Chippewa Tribal College to the list of Indian tribal colleges eligible for certain funds from the Agriculture Department. Under the Equity in Educational Land-Grant Status Act of 1994 (7 USC 301 note), \$100,000 per year is authorized to be appropriated for each Indian tribal college to provide for facilities and instruction in food and agricultural sciences. CBO estimates that implementing this provision would cost \$500,000 over the 2004-2008 period.

Direct Spending

Title II would direct the Secretary of the Interior to take 4,484 acres of federal lands and interests into trust on behalf of the Pueblo of Santa Clara and the Pueblo of San Ildefonso in New Mexico. Taking lands into trust for Indian tribes could result in forgone offsetting receipts (a credit against direct spending) if, under current law, the lands would generate income from programs to develop natural resources. According to BLM, however, the affected lands currently generate no significant receipts and are not expected to do so over the next 10 years. Further, the bill specifies that valid existing rights would not be affected by the proposed transfer of lands; hence, CBO estimates that any forgone offsetting receipts under S. 523 would be negligible.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 523 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting this legislation would benefit a number of Indian tribes.

PREVIOUS COST ESTIMATE

On May 12, 2003, CBO transmitted a cost estimate for S. 523 as ordered reported by the Senate Committee on Indian Affairs on April 10, 2003. The version approved by the House Committee on Resources does not include provisions that would waive the repayment of expert assistance loans to the Pueblo of Santo Domingo, the Oglala Sioux Tribe, and the Seminole Tribe of Oklahoma. Those provisions were included in the Senate version of the legislation, and CBO estimated that such provisions would increase direct spending by \$300,000 in 2004. Estimated spending subject to appropriations is the same for both House and Senate versions of S. 523.

ESTIMATE PREPARED BY:

Federal Costs:

Lanette J. Walker—Main contact

David Newman—Bosque Redondo Memorial

Megan Carroll—Pueblo of Santa Clara and the Pueblo of San Ildefonso

Julie Middleton—Rehabilitation of Celilo Indian Village, Quinault Indian Nation Water Feasibility Study, and Santee Sioux Tribe, Study and Report

Matthew Pickford—Navajo-Hopi Land Settlement

David Hull—Saginaw Chippewa Tribal College

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Cecil McPherson

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis