



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 4, 2006

S. 1773

Pueblo de San Ildefonso Claims Settlement Act of 2005

*As cleared by the Congress on September 12, 2006,
and signed by the President on September 27, 2006*

S. 1773 (enacted as Public Law 109-286) ratifies a settlement agreement entered into by the Departments of Justice, the Interior, and Agriculture with the Pueblo de San Ildefonso. Under the agreement, the tribe will receive about \$7 million from the federal government in exchange for extinguishing certain claims against the government. Funds from the settlement will be used by the tribe to acquire land, including about 7,600 acres of national forest land. The legislation also will allow the sale of about 425 acres of federal land to the county of Los Alamos, New Mexico, with an estimated value of about \$500,000 and about 740 acres to the Pueblo of Santa Clara for about \$350,000. All proceeds from the land sales will be available to the U.S. Forest Service to spend, without further appropriation, to purchase nonfederal lands within or adjacent to national forests in New Mexico.

CBO estimates that S. 1773 will increase direct spending from the Judgment Fund of the U.S. Treasury by about \$7 million in fiscal year 2007. That payment could be offset by a reduction in possible future payments from the Judgment Fund to settle the tribe's claims, but CBO cannot estimate the likelihood, magnitude, or timing of such an offset. According to the Forest Service, the lands to be sold currently generate no significant receipts and are not expected to do so during the next 10 years. Hence, CBO estimates that selling the land will not significantly affect offsetting receipts (a credit against direct spending). As noted above, the Forest Service will spend roughly \$850,000 of such proceeds, so there will be no net budget impact from those sales.

The legislation also allows the Forest Service to accept gifts of cash or services for surveys related to the land sales. CBO estimates that the total value of the gifts will not be significant. In addition, based on information from the Forest Service, we estimate that the administrative costs of the legislation including the required surveys, will be negligible.

The CBO staff contact for this estimate is Matthew Pickford. The estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.