



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 29, 2014

H.R. 1103

A bill to amend the Alaska Native Claims Settlement Act to provide that Alexander Creek, Alaska, is and shall be recognized as an eligible Native village under that Act, and for other purposes

*As ordered reported by the House Committee on Natural Resources
on February 27, 2014*

SUMMARY

H.R. 1103 would change the federal designation of the Alexander Creek community in Alaska. CBO estimates that enacting H.R. 1103 would cost \$30 million over the 2015-2024 period. Because those costs would increase direct spending, pay-as-you-go procedures apply. Enacting the legislation would not affect revenues or spending subject to appropriation.

H.R. 1103 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.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

H.R. 1103 would designate the Alexander Creek community as a *Native village* under the Alaska Native Claims Settlement Act of 1971 (ANCSA). The community is currently recognized as a *Native group* under ANCSA. The legislation would require the Department of the Interior (DOI) to settle land and other claims with the newly designated Native village.

ANCSA established a process to classify Native Alaskan communities for the purpose of conveying nearly 44 million acres of federal land to those communities. Under ANCSA, Native villages are entitled to about 69,000 acres, and Native groups can receive up to about 8,000 acres. The Alexander Creek community was classified as a Native group in 1974, and that classification was affirmed and codified in the Alaska National Interest Lands Conservation Act of 1980 (ANILCA). In that agreement, the Alexander Creek community was entitled to receive almost 8,000 acres of federal land. H.R. 1103 would

supersede the ANILCA agreement and would classify the Alexander Creek community as a Native village, allowing them to receive an additional 61,000 acres of land.

CBO estimates that 61,000 acres of land in this area of Alaska would have an appraised value of about \$30 million. Because most eligible lands have already been conveyed to the state of Alaska, CBO expects that the settlement under H.R. 1103 would be in the form of a monetary settlement to the community from the Treasury’s Judgment Fund (a permanent, indefinite appropriation for claims and judgments against the United States). However, the cost of the settlement under H.R. 1103 ultimately would depend on the terms agreed upon by DOI and the Alexander Creek Native Village. (The bill does not specify the terms of the settlement agreement.) If the settlement were in the form of a transfer of federal land to the Alexander Creek community, for example, the legislation would have a negligible effect on the federal budget.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

CBO Estimate of Pay-As-You-Go Effects for H.R. 1103, a bill to amend the Alaska Native Claims Settlement Act to provide that Alexander Creek, Alaska, is and shall be recognized as an eligible Native village under that Act, and for other purposes, as ordered reported on February 27, 2014

	By Fiscal Year, in Millions of Dollars												2014-	2014-
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2019	2024	
NET INCREASE IN THE DEFICIT														
Statutory Pay-As-You-Go Impact	0	30	0	0	0	0	0	0	0	0	0	30	30	

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1103 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. Enacting the bill would benefit the community of Alexander Creek.

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