



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 17, 2014

S. 2040
Blackfoot River Land Exchange Act of 2014

As ordered reported by the Senate Committee on Indian Affairs on May 21, 2014

S. 2040 would require an exchange of tribal and private lands to settle a dispute between the Shoshone-Bannock Tribes and certain non-Indian landowners in southeastern Idaho. Under the bill, the Department of the Interior (DOI) would exchange 37 acres of Indian trust land for 31 acres of private land that would be held in trust for the Shoshone-Bannock Tribes. Based on information provided by DOI, CBO estimates that implementing the legislation would have no significant effect on the federal budget. Enacting S. 2040 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

By requiring the exchange of lands through federal statute, S. 2040 would impose both intergovernmental and private-sector mandates, as defined in the Unfunded Mandates Reform Act (UMRA), on tribal and nontribal land owners. The bill would terminate rights to certain parcels of land surrounding the Blackfoot River, and extinguish any past, present, or future claims on that land. The cost of the mandates would be the forgone compensation for damages that could have been collected through legal actions related to clarifying title to the property, and the net value of the land being exchanged by the federal government. Any forgone damages are unlikely to be significant. In a market study used by DOI, the value of the land is estimated to be less than \$500,000. Therefore, CBO estimates that the aggregate cost of the mandates would fall well below the annual thresholds established in UMRA for both intergovernmental and private-sector mandates (\$76 million and \$152 million, respectively, in 2014, adjusted annually for inflation).

The CBO staff contacts for this estimate are Martin von Gnechten (for federal costs), Melissa Merrell (for the state and local impact) and Marin Burnett (for the private-sector impact). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.