



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

June 23, 2014

**S. 2132  
Indian Tribal Energy Development and Self-Determination Act  
Amendments of 2014**

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

S. 2132 would require the Secretary of the Interior to establish a grant program to assist tribes in the development of energy resources on tribal lands and to improve energy efficiency on Indian Reservations. The bill also would modify the process used to give tribes authority to manage the development of energy resources on tribal lands. Based on information provided by the affected agencies, CBO estimates that implementing the legislation would cost \$15 million over the 2015-2019 period, assuming appropriation of the necessary amounts. Because enacting the bill would not affect direct spending or revenues, pay-as-you-go procedures do not apply.

S. 2132 would require the Secretary to provide grants to help tribes develop alternative and renewable energy resources on tribal lands and to increase energy efficiency on Indian Reservations. Tribes could use those funds for various projects, including installing renewable energy technology in tribal buildings, developing energy efficiency goals, encouraging behavioral changes related to energy use among tribal members, and conducting energy audits of buildings on tribal lands. Based on information regarding the cost of carrying out similar activities, CBO estimates that implementing the grant program would cost \$3 million a year over the 2015-2019 period, assuming appropriation of the necessary amounts.

The bill also would modify the process tribes use to enter into energy resource agreements, which shift various management functions related to energy development on tribal lands from the federal government to tribes. Under the bill, if a tribe takes over the management of activities that would have been managed by the Department of the Interior, the Secretary would be required to pay the tribe an amount equal to the amount that the agency would have spent to carry out those activities. Because the bill would require the agency to make payments to the tribe only if the agency received appropriations to carry out those activities, CBO estimates that implementing that provision would have no net effect on the federal budget.

S. 2132 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Tribes would benefit from greater flexibility, grants, and technical assistance authorized by the bill for energy development. Any cost to tribes would be incurred voluntarily as a condition of receiving federal assistance or participating in a voluntary federal program.

On July 9, 2013, CBO transmitted a cost estimate for H.R. 1548, the Native American Energy Act, as ordered reported by the House Committee on Natural Resources on June 12, 2013. The two pieces of legislation contain several similar provisions, and the CBO cost estimates of those provisions are the same.

The CBO staff contacts for this estimate are Martin von Gnechten, Megan Carroll, and Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.