



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 1, 2015

H.R. 538 **Native American Energy Act**

*As ordered reported by the House Committee on Natural Resources
on September 10, 2015*

H.R. 538 would make several changes related to environmental laws, energy programs, and the management of mineral resources on Native American reservations. CBO estimates that implementing H.R. 538 would have no significant effect on federal spending. The bill would:

- Require the Department of the Interior (DOI) to act on any appraisal of energy projects required under current law within 30 days and allow tribes to waive the requirement for appraisals under specified circumstances. Based on information from DOI, CBO estimates that implementing that section would not significantly affect the federal cost of the appraisal process.
- Require DOI to use a uniform reference system for tracking oil and gas wells. DOI already uses the American Petroleum Institute's well-numbering system to identify and track oil and gas wells; therefore, CBO estimates that implementing that provision would have no cost to DOI.
- Restrict the review of and comments on environmental impact statements of projects on tribal lands to members of the tribe and residents of the area. Based on information from DOI, CBO estimates this provision would not significantly change the agency's workload and that implementing it would not have a significant affect on DOI's budget.
- Require DOI to enter into contracts for energy demonstration projects using timber from federal forests that is not marketable. Because the timber affected under the bill would not be marketable, enacting the legislation would not affect timber receipts to the federal government. Additionally, CBO estimates that implementing the projects would not have a significant effect on DOI's operations.

- Authorize the Navajo Nation to enter into commercial and agricultural leases for up to 99 years. Under the bill, the Navajo Nation also would be authorized to enter into mineral resource leases without DOI's approval for 25 years. Any income resulting from those leases would be paid directly to the tribal owners or to the appropriate tribal government and would not be recorded on the federal budget. Approving longer leases would not add to DOI's workload or operating costs.
- Prohibit the payment of attorneys' fees under the Equal Access to Justice Act (EAJA) for lawsuits regarding energy projects on tribal lands. Based on information about the history of such payments provided by the Government Accountability Office, CBO estimates that any savings from prohibiting such payments would be insignificant.

Because H.R. 538 would prohibit the federal government from paying attorneys' fees under the EAJA for lawsuits regarding energy projects on tribal lands, enacting the bill would affect direct spending and pay-as-you-go procedures apply. A portion of those payments comes from the Claims and Judgment Fund and is recorded in the budget as direct spending. CBO estimates that any reduction in those payments under H.R. 538 would be insignificant because historically such payments have been small. Enacting H.R. 538 would not affect revenues.

H.R. 538 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

The CBO staff contact for this estimate is Martin von Gnechten. The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.