



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

February 25, 2015

S. 209
Indian Tribal Energy Development and Self-Determination Act
Amendments of 2015

As ordered reported by the Senate Committee on Indian Affairs on February 4, 2015

S. 209 would make various amendments to existing energy programs on tribal lands. Based on information provided by the affected agencies, CBO estimates that implementing the legislation would have no significant effect on the federal budget over the 2015-2020 period. Because enacting the bill would not affect direct spending or revenues, pay-as-you-go procedures do not apply.

The bill 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 (DOI), 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 appropriated funds to carry out those activities, CBO estimates that implementing that provision would have no net effect on the federal budget.

S. 209 would make various other changes to how energy resources are developed on tribal lands that would have no significant effect on the federal budget. Under the bill, the Department of Energy would collaborate with the national laboratories to provide technical assistance to tribal governments. The bill would establish a pilot program for tribes to use nonmarketable timber from neighboring federal lands for energy development. S. 209 also would authorize the Navajo Nation to enter into commercial and agricultural leases for up to 99 years. The Navajo Nation also would be authorized to enter into mineral resource leases without DOI 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 have no impact on the federal budget.

S. 209 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 and assistance authorized by the bill for energy development. Any cost to tribes would be incurred voluntarily.

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