



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 1, 2016

S. 2468 **Safe Academic Facilities and Environments for Tribal Youth Act**

*As ordered reported by the Senate Committee on Indian Affairs
on April 27, 2016*

SUMMARY

S. 2468 would direct the Secretary of the Interior to carry out a five-year demonstration program to provide grants to eligible Indian tribes for the construction of schools. The legislation also would provide grants for the construction of tribal colleges or universities and for housing assistance to educators who teach at eligible schools. Finally, S. 2468 would require the Bureau of Indian Education (BIE) and the Office of Management and Budget (OMB) to create a joint 10-year plan to bring tribal schools up to good condition and would require the Government Accountability Office (GAO) to report on the implementation of this bill.

CBO estimates that enacting S. 2468 would cost \$82 million over the 2017-2021 period, assuming appropriation of the specified and estimated amounts. Enacting S. 2468 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply to this legislation.

CBO estimates that enacting S. 2468 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

S. 2468 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Tribal governments would benefit from grants authorized in the bill to address construction needs and repairs at tribal schools. Any costs to tribal governments, including matching contributions, would result from complying with conditions of assistance.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of S. 2468 is shown in the following table. The costs of this legislation fall within budget function 500 (education, training, employment, and social services).

	By Fiscal Year, in Millions of Dollars					2017-2021
	2017	2018	2019	2020	2021	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION						
Estimated Authorization Level	22	23	23	23	23	114
Estimated Outlays	5	11	20	23	23	82

BASIS OF ESTIMATE

CBO assumes that the specified and estimated amounts will be appropriated near the start of each fiscal year and that outlays will follow the historical rate of spending for similar activities.

S. 2468 would direct the Secretary of the Interior to carry out a five-year demonstration program to provide grants to eligible Indian tribes for the construction of schools. Based on historical funding for similar activities and accounting for inflation, CBO estimates that implementing this provision would require appropriations of about \$12 million in fiscal year 2017 and \$64 million over the 2017-2021 period.

S. 2468 would authorize the appropriation of \$5 million for fiscal years 2017 through 2021 for the construction of tribal colleges. The bill also would authorize the appropriation of another \$5 million for fiscal year 2017 and each fiscal year thereafter for housing assistance for educators in tribal schools or in public schools when at least 25 percent of the students are Native Americans.

Finally, S. 2468 would require BIE and OMB to create a 10-year plan to bring tribal school facilities up to good condition, and would require GAO to submit a report evaluating the implementation of the bill. Based on the cost of similar studies, CBO estimates that completing that plan and report would cost less than \$500,000.

In total, CBO estimates that implementing this bill would cost \$82 million over the 2017-2021 period.

PAY-AS-YOU-GO CONSIDERATIONS: None

INCREASE IN LONG-TERM NET DIRECT SPENDING AND DEFICITS

CBO estimates that enacting S. 2468 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2468 contains no intergovernmental or private-sector mandates as defined in UMRA. Tribal governments would benefit from grants authorized in the bill to address construction needs and repairs at tribal schools. Any costs to tribal governments, including matching contributions, would result from complying with conditions of assistance.

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