



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

June 6, 2016

S. 2580
Reforming American Indian Standards of Education Act of 2016
As ordered reported by the Senate Committee on Indian Affairs on May 11, 2016

SUMMARY

S. 2580 would create the Indian Education Agency, terminate the Bureau of Indian Education, and transfer responsibility for administering Indian education programs to the new agency. The bill would authorize the appropriation of \$983 million for 2017 and each fiscal year thereafter.

CBO estimates that enacting S. 2580 would cost \$4.5 billion over the 2017-2021 period, assuming appropriation of the authorized amounts.

Enacting S. 2580 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting the bill would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

S. 2580 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of S. 2580 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						
Authorization Level	983	983	983	983	983	4,915
Estimated Outlays	653	884	965	983	983	4,468

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2016, that the authorized amounts will be appropriated each year, and that spending will follow the historical patterns for similar programs.

S. 2580 would authorize the appropriation of \$983 million for fiscal year 2017 and each fiscal year thereafter, of which \$130 million would be available for school construction. In fiscal year 2016, the Congress provided \$852 million to the Bureau of Indian Education, as well as \$138 million to the Bureau of Indian Affairs for construction of schools. CBO estimates that implementing the bill would cost \$4.5 billion 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. 2580 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2026.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2580 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

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