

S. 209, PROGRESS for Indian Tribes Act

As ordered reported by the House Committee on Natural Resources on December 5, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	*	2	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2031?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
* = between zero and \$500,000.			

S. 209 would modify eligibility requirements for tribes participating in the Tribal Self-Governance program, which authorizes Indian tribes to assume responsibility for certain programs, functions, and services or activities that would otherwise be carried out by the federal government for the benefit of tribal governments. The bill also would amend the process for negotiating agreements between the tribes and the Bureau of Indian Affairs (BIA) and would establish new guidelines for administering the program. In particular, the bill would allow tribes to correct significant errors (known as material exceptions) in annual financial audits when they apply to participate in the program. Under current law, a tribe must achieve three consecutive years of audits with no material exceptions in order to be eligible to enter into a self-governance contract with the federal government.

CBO assumes the bill will be enacted in fiscal year 2020. Under the bill, CBO expects 25 new tribes would enter into self-governance agreements with the federal government each year, beginning in 2021. (Currently, 285 tribes participate.) Using information from BIA, CBO estimates that the Office of Self Governance (OSG) would require additional employees over the 2020-2025 period to work on audits, contracts, and negotiations with tribes. At the same time, CBO expects that the staffing of BIA's Self-Determination program

would decrease by a comparable number of employees because tribes would exit those agreements and enter into self-governance agreements.¹

In addition, CBO estimates that OSG would need \$500,000 over two years to upgrade computers and software for the increased administrative activities required under the bill. CBO also estimates that the required rulemaking would cost \$1 million over two years, primarily to cover the costs of staff time, facilitators, and travel needs for tribes involved in the rulemaking.

On March 25, 2019, CBO transmitted a [cost estimate for S. 209](#), the PROGRESS for Indian Tribes Act, as ordered reported by the Senate Committee on Indian Affairs on January 29, 2019. The two versions of the legislation are similar, and CBO's estimates of their budgetary effects are the same.

The CBO staff contact for this estimate is Jon Sperl. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

1. Under the Indian Self-Determination and Education Assistance Act, tribal governments may enter into either self-determination contracts or self-governance contracts with the Bureau of Indian Affairs to implement federal programs that provide services to tribal communities. Under self-governance contracts, tribes receive annual funding in the form of block grants that allow tribes greater autonomy in making decisions concerning the use of funds. Self-determination contracts govern individual programs and entail greater federal oversight.