

S. 212, Indian Community Economic Enhancement Act of 2019

As ordered reported by the Senate Committee on Indian Affairs on January 29, 2019

Millions of Dollars	Direct Spending	Revenues	Net Deficit Effect	Spending Subject to Appropriation
2019	0	0	0	0
2019-2024	0	0	0	144
2019-2029	0	0	0	190
Pay-as-you-go procedures apply?	No	Mandate Effects		
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No	
		Contains private-sector mandate?	No	

S. 212 would reorganize the Office of Native American Business Development (ONABD) within the Department of Commerce (DOC), require that office to serve as the liaison between DOC and Indian tribes, and permanently authorize the appropriation of \$2 million a year for that office (or \$20 million through 2029). Current law authorizes the appropriation of whatever amounts are necessary for ONABD operations; however, no funds have been appropriated for such purposes since ONABD was originally authorized.

The bill also would authorize the appropriation of \$34 million a year from 2020 through 2024 (totaling \$170 million over the five years) for the Department of Health and Human Services (HHS) to make grants to assist the social and economic development of Native American communities. The authority to make those grants expired at the end of 2002. However, HHS has continued to allocate funds each year for those grants from its appropriation. In 2018, the most recent year for which data is available, that allocation was \$34 million.

Finally, the bill would require DOC, the Department of the Interior, and the Department of the Treasury to develop coordinated initiatives to encourage investment in Indian communities. Using information from those departments, CBO estimates that implementing those requirements would have no significant effect on the federal budget.

CBO assumes that the bill will be enacted in 2019 and that the authorized amounts will be appropriated each year. Estimated outlays are based on historical spending patterns and would total \$144 million over the 2019-2024 period, CBO estimates.

The costs of the legislation fall within budget functions 450 (community and regional development) and 500 (education, training, employment, and social services) and are detailed in Table 1.

Table 1.
Estimated Increases in Spending Subject to Appropriation under S. 212

	By Fiscal Year, Millions of Dollars											2019-2024	2019-2029
	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029		
Department of Commerce													
Authorization	0	2	2	2	2	2	2	2	2	2	2	10	20
Estimated Outlays	0	2	2	2	2	2	2	2	2	2	2	10	20
Department of Health and Human Services													
Authorization	0	34	34	34	34	34	0	0	0	0	0	170	170
Estimated Outlays	0	1	31	34	34	34	33	3	0	0	0	134	170
Total Changes													
Authorization	0	36	36	36	36	36	2	2	2	2	2	180	190
Estimated Outlays	0	3	33	36	36	36	35	5	2	2	2	144	190

Although S. 212 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act, tribal governments would benefit from the reauthorization of the Buy Indian Act. Such reauthorization would allow the award of federal contracts to Indian-owned businesses and bypass the standard competitive process. Tribal governments would benefit from provision in the bill promoting private investment in Indian communities. Any costs to tribal governments would result from complying with conditions of assistance.

The CBO staff contacts for this estimate are Jon Sperl (for the Department of Commerce), Jennifer Gray (for the Department of Health and Human Services), and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.