

S. 209, PROGRESS for Indian Tribes Act

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

Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	2	n.a.
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
n.a. = not applicable.			

S. 209 would modify eligibility requirements for tribes participating in the Tribal Self-Governance (SG) 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 how to administer 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 an SG contract with the federal government.

Under the bill, CBO expects, the number of tribes that enter into SG agreements with the federal government would increase by about 25 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 2020-2024 period to work on audits, contracts, and negotiations with tribes. At the same time, CBO expects that the workload under BIA's Self-Determination (SD) program would result in a decrease of a comparable number of employees because tribes would exit SD agreements and enter into SG agreements.¹ On balance, CBO estimates, the

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



increased personnel and benefits costs under the SG program would be offset by reduced costs to operate the SD program.

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 a rulemaking required in the bill would cost \$1 million over two years, primarily to cover the costs of travel to meet with the different tribes involved in the rulemaking.

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