



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 21, 2010

S. 2802 **Blackfoot River Land Settlement Act of 2009**

As ordered reported by the Senate Committee on Indian Affairs on June 10, 2010

S. 2802 would authorize the appropriation of \$1 million to settle a land dispute between the Shoshone-Bannock Tribes and certain non-Indian landowners in southeastern Idaho. Based on information from the Department of the Interior (DOI) and assuming the availability of appropriated funds, CBO estimates that implementing the legislation would cost \$1 million over the 2011-2015 period. Enacting the legislation would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

Under the bill, DOI would exchange 37 acres of Indian trust land for 31 acres of private land that would be held in trust for the Shoshone-Bannock Tribes. The bill also would authorize the appropriation of \$1 million to settle certain claims made against the federal government. Of those amounts, about \$710,000 would be paid to individual Indian and private landowners as compensation for damages resulting from certain federal activities. An additional \$270,000 would be held in trust for the Shoshone-Bannock Tribes by the U.S. Treasury. The tribes would have the authority to spend those amounts at their own discretion. Finally, up to \$20,000 of the authorized amounts would be available to pay attorneys' fees for the tribes and the non-Indian landowners.

By requiring the exchange of lands through federal statute, S. 2802 would impose both intergovernmental and private-sector mandates, as defined in the Unfunded Mandates Reform Act (UMRA), on tribal and nontribal land owners. The bill would terminate rights to certain parcels of land surrounding the Blackfoot River and extinguish any past, present, or future claims on that land. The cost of the mandates would be the forgone damages that could have been collected through legal actions related to the property and the net value of the land being exchanged by the federal government. In a market study used by DOI, the value of the land is estimated to be less than \$500,000. Therefore, CBO estimates that the aggregate cost of the mandates would fall well below the annual thresholds established in UMRA for both intergovernmental and private-sector mandates (\$70 million and \$141 million, respectively, in 2010, adjusted annually for inflation).

The CBO staff contacts for this estimate are Jeff LaFave (for federal costs), Melissa Merrell (for the intergovernmental impact), and Marin Randall (for the private-sector impact). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.