



CONGRESSIONAL BUDGET OFFICE
PAY-AS-YOU-GO ESTIMATE

October 19, 1998

S. 391

Mississippi Sioux Tribes Judgment Fund Distribution Act of 1998

As cleared by the Congress on October 14, 1998

S. 391 would direct the Secretary of the Interior to distribute previously appropriated funds, plus accrued interest, to certain tribal governing bodies and individuals as payment of a judgment in favor of the Mississippi Sioux tribes. Various legal challenges make it unlikely that the funds would be disbursed within the next several years under current law. If S. 391 is not challenged in court, this act would result in payments being made in the near term that otherwise would be made at some point in the future. If S. 391 is challenged in court, the expected near-term payments would probably be delayed by one to several years.

CBO estimates that enacting S. 391 would affect direct spending over the 1999-2008 period but would probably result in no net cost to the federal government over that period. We estimate that direct spending would increase by a total of about \$17 million in fiscal year 2000. This spending would be offset by savings of future payments that would otherwise be made in absence of S. 391, but we cannot estimate the precise amount or timing of such payments. The following table summarizes those estimated effects.

	By Fiscal Year, in Millions of Dollars									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Changes in outlays		0	17	a	a	a	a	a	a	a
Changes in receipts							Not applicable			

- a. The legislation would trigger direct spending of about \$17 million in fiscal year 2000, but these outlays would be offset by savings in subsequent years from payments that would otherwise be made in the absence of S. 391. CBO cannot predict the precise amount or timing of payments that would be required if S. 391 is not enacted.

S. 391 would impose a one-year statute of limitations on legal actions to challenge its constitutionality. If there are no claims during the year, then the Secretary of the Interior would disburse the \$1.47 million that was appropriated in 1968 for the judgment in favor of the Sisseton and Wahpeton Tribe of Sioux Indians and the interest that has accrued on the initial appropriation. Under S. 391, CBO expects that the Secretary would disburse a total of about \$17 million in fiscal year 2000. This estimate assumes that interest would continue to accrue until the final distribution.

The direct spending in 2000 would be offset by a reduction in outlays of at least the same amount at some point in the future. Based on information provided by BIA and the Department of Justice, CBO expects that the two court cases currently delaying the payments would not be resolved until sometime after fiscal year 1999. Though we have no basis for knowing when the court cases will be resolved, we expect that the resulting payments would equal the amount that would be paid under this legislation plus accrued interest.

The CBO staff contact is Mark Hadley. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.