

**§ 137.124 Does the effective period of a stable base budget have to be the same as the term of the funding agreement?**

No, the Self-Governance Tribe may provide in its funding agreement that the effective period of the stable base budget will be either longer or shorter than the term of the funding agreement.

### Subpart H—Final Offer

**§ 137.130 What is covered by this subpart?**

This subpart explains the final offer process provided by the statute for resolving, within a specific timeframe, disputes that may develop in negotiation of compacts, funding agreements, or amendments thereof.

**§ 137.131 When should a final offer be submitted?**

A final offer should be submitted when the Secretary and an Indian Tribe are unable to agree, in whole or in part, on the terms of a compact or funding agreement (including funding levels).

**§ 137.132 How does the Indian Tribe submit a final offer?**

(a) A written final offer should be submitted:

(1) During negotiations to the agency lead negotiator *or*

(2) Thereafter to the Director.

(b) The document should be separate from the compact, funding agreement, or amendment and clearly identified as a “Final Offer.”

**§ 137.133 What does a final offer contain?**

A final offer contains a description of the disagreement between the Secretary and the Indian Tribe and the Indian Tribe’s final proposal to resolve the disagreement.

**§ 137.134 When does the 45 day review period begin?**

The 45 day review period begins from the date the IHS receives the final offer. Proof of receipt may include a date stamp, or postal return receipt, or hand delivery.

**§ 137.135 May the Secretary request and obtain an extension of time of the 45 day review period?**

Yes, the Secretary may request an extension of time before the expiration of the 45 day review period. The Indian Tribe may either grant or deny the Secretary’s request for an extension. To be effective, any grant of extension of time must be in writing and be signed by the person authorized by the Indian Tribe to grant the extension before the expiration of the 45 day review period.

**§ 137.136 What happens if the agency takes no action within the 45 day review period (or any extensions thereof)?**

The final offer is accepted automatically by operation of law.

**§ 137.137 If the 45 day review period or extension thereto, has expired, and the Tribes offer is deemed accepted by operation of law, are there any exceptions to this rule?**

No, there are no exceptions to this rule if the 45 day review period or extension thereto, has expired, and the Tribe’s offer is deemed accepted by operation of law.

**§ 137.138 Once the Indian Tribe’s final offer has been accepted or deemed accepted by operation of law, what is the next step?**

After the Indian Tribe’s final offer is accepted or deemed accepted, the terms of the Indian Tribe’s final offer and any funds included therein, shall be added to the funding agreement or compact within 10 days of the acceptance or the deemed acceptance.

#### REJECTION OF FINAL OFFERS

**§ 137.140 On what basis may the Secretary reject an Indian Tribe’s final offer?**

The Secretary may reject an Indian Tribe’s final offer for one of the following reasons:

(a) the amount of funds proposed in the final offer exceeds the applicable funding level to which the Indian Tribe is entitled under the Act;

(b) the PSFA that is the subject of the final offer is an inherent Federal