



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 22, 2008

S. 1756 **Republic of the Marshall Islands** **Supplemental Nuclear Compensation Act of 2007**

*As reported by the Senate Committee on Energy and Natural Resources
on September 16, 2008*

SUMMARY

S. 1756 would amend the Compact of Free Association Amendments Act of 2003 and the Energy Employees Occupational Illness Compensation Program Act of 2000. The legislation would appropriate \$4.5 million annually (plus adjustments for inflation) over the 2009-2023 period to supplement health care in communities affected by the U.S. nuclear testing program. In addition, under S. 1756, workers employed at nuclear test sites would be eligible for compensation and medical benefits. Finally, the legislation would require monitoring of a specific nuclear test site.

CBO estimates that enacting this bill would increase direct spending by \$7 million in 2009, \$31 million over the 2009-2013 period, and \$57 million over the 2009-2018 period. Enacting the bill would not affect revenues. We estimate that additional administrative costs would total less than \$300,000 annually over the 2009-2013 period, assuming appropriation of the necessary funds.

S. 1756 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1756 is shown in the following table. The budgetary effects of this legislation fall within budget functions 050 (national defense) and 800 (general government).

By Fiscal Year, in Millions of Dollars												
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2009-2013	2009-2018
CHANGES IN DIRECT SPENDING^a												
Supplemental Health Care Grants												
Estimated Budget Authority	5	5	5	5	5	5	5	5	5	6	25	51
Estimated Outlays	5	5	5	5	5	5	5	5	5	6	25	51
Energy Worker Compensation												
Estimated Budget Authority	2	1	1	1	1	0	0	0	0	0	6	6
Estimated Outlays	2	1	1	1	1	0	0	0	0	0	6	6
Changes in Direct Spending Under S. 1756												
Estimated Budget Authority	7	6	6	6	6	5	5	5	5	6	31	57
Estimated Outlays	7	6	6	6	6	5	5	5	5	6	31	57

a. In addition to the costs shown above, CBO estimates that implementing S. 1756 would cost less than \$300,000 annually over the 2009-2013 period for administrative costs related to the monitoring of Runit Island and supplemental health care grants, assuming the availability of appropriated funds.

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1756 will be enacted near the start of fiscal year 2009.

Supplemental Health Care Grant

Section 4 would provide \$4.5 million (plus adjustments for inflation as specified in the Compact of Free Association Amendments Act of 2003) annually over the 2009-2023 period for supplemental health care grants for communities of the Marshall Islands that were affected by the United States nuclear testing program. Based on information for the Department of the Interior, CBO estimates that this provision would increase direct spending by about \$5 million in 2009, \$25 million over the 2009-2013 period, and \$51 million over the 2009-2018 period.

Energy Workers Compensation

Section 3 would extend benefits under the Energy Employees Occupational Illness Compensation Program Act of 2000 (EEOICPA) to citizens of the Republic of the Marshall Islands and the Federated States of Micronesia. EEOICPA provides compensation and medical benefits to employees of the Department of Energy (DOE)—including DOE predecessor agencies—and DOE contractors if they develop beryllium disease, silicosis, or radiation-induced cancer as a result of working at a site used by the United States for the production or testing of atomic weapons. Based on information from DOE and the Department of Labor, CBO estimates that, under the bill, approximately 20 additional workers or their survivors would be eligible for benefits under EEOICPA. Providing those benefits would increase direct spending by \$2 million in 2009 and \$6 million over the 2009-2013 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1756 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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