



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 1, 2007

H.R. 885
International Nuclear Fuel for Peace and Nonproliferation Act of 2007

As ordered reported by the House Committee on Foreign Affairs on May 23, 2007

H.R. 885 would authorize the appropriation of \$50 million in 2008 for a voluntary contribution to the International Atomic Energy Agency (IAEA). This contribution would allow the IAEA to establish an international nuclear fuel bank that could be used to provide eligible countries with nuclear fuel in the event of disruptions that affect the market for nuclear fuel. Before making the contribution, the bill would require the President to certify that:

- Other countries have pledged at least \$100 million to the IAEA for the nuclear fuel bank and the IAEA has received at least \$75 million of the pledged amounts;
- The international nuclear fuel bank would be established in a country without nuclear weapons under the oversight of the IAEA;
- The host country for the nuclear fuel bank has an agreement with the IAEA regarding safeguards, has always been compliant with that agreement, has effective export controls over nuclear technology, and does not support international terrorism; and
- The international fuel bank will not provide nuclear reactor fuel to any country that does not meet certain guidelines specified in the bill.

If the President is able to make the certifications required in the bill, and based on historical spending patterns for voluntary contributions to international organizations, CBO estimates that implementing H.R. 885 would cost \$45 million in 2008 and \$50 million over the 2008-2009 period, assuming appropriation of the authorized amount.

H.R. 885 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Sam Papenfuss. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.