



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

October 15, 1999

H.R. 2970
Rongelap Resettlement Act of 1999

As ordered reported by the House Committee on Resources on October 6, 1999

H.R. 2970 would extend by 10 years certain provisions of a 1996 agreement between the Department of the Interior (DOI) and the local government of the Rongelap Atoll. The agreement provides and oversees the use of federal assistance in resettling the people of Rongelap, who were displaced from their island as a result of the U.S. government's testing of nuclear weapons in the Marshall Islands during the 1950s. (The Rongelap Atoll is part of the Marshall Islands, a country that entered into a compact of free association with the United States in 1986.)

The bill would allow the local government to continue using a portion of the earnings from the Rongelap Resettlement Trust Fund to provide food and shelter to the Rongelap people during their period of dislocation and to cover certain administration expenses. Although the federal government has imposed restrictions on how the monies appropriated into the trust fund (which has already been counted as outlays) can be used, the funds belong to the people of Rongelap and thus are nonfederal. Consequently, enacting the bill would have no impact on the federal budget. Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply.

H.R. 2970 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. Enactment of this legislation would benefit the local government of the Rongelap Atoll.

The CBO staff contact is John R. Righter. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.