



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 8, 2004

H.R. 3782
Counter-Terrorist and Narco-Terrorist Rewards Program Act

*As ordered reported by the House Committee on International Relations
on February 25, 2004*

H.R. 3782 would amend the Department of State rewards program to:

- Allow the department to pay a reward for information leading to the disruption of terrorist financing networks;
- Increase the maximum reward to \$25 million, and up to \$50 million for the capture or information leading to the capture of Usama bin Laden;
- Allow the department to use appropriated funds for media surveys and advertising to publicize the rewards program,
- Allow the department to make rewards in the form of cash, nonmonetary items, or a combination of thereof; and
- Require the department to create a plan to publicize the reward for the capture or information leading to the capture of Usama bin Laden, and to report to the Congress on its plan.

Under current law, the State Department uses appropriated funds to pay rewards of up to \$5 million for information about international terrorists or terrorist acts, narcotics-related offenses, and certain war criminals but the Secretary of State may personally authorize larger amounts if he determines this would combat terrorism or protect the country against a terrorist act. According to the department, the rewards program paid out \$19 million over the 1989-2002 period and roughly \$47 million since 2002. The program currently has the authority to use appropriated funds for publicity campaigns and advertising, and to provide nonmonetary rewards. Finally, the Department of Treasury (in conjunction with the State Department), has an ongoing program to reward individuals for information leading to the disruption of terrorist financing networks.

CBO cannot estimate the budgetary impact of this bill given the uncertainties associated with estimating how many individuals or organizations may be involved in terrorism or terrorist financing, narcotics-related offenses, and war crimes, and when or how they may be stopped.

CBO expects, however, that implementing this bill would likely increase spending from appropriated funds for rewards, media surveys, and advertising. H.R. 3782 would not affect direct spending or revenues.

H.R. 3782 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 is Sunita D'Monte. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.