



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

March 27, 2006

S. 1830

Compacts of Free Association Amendments Act of 2005

*As ordered reported by the Senate Committee on Energy and Natural Resources
on March 15, 2006*

S. 1830 would amend the Compact of Free Association Amendments Act of 2003. The bill would make several amendments to the compact, and would cancel a \$3 million payment Palau owes to the federal government if Palau deposits \$3 million into a trust fund controlled by the Republic of Palau. The earnings from the trust fund would be used for maintenance of the road system in Palau. Based on information from the Department of the Interior, CBO estimates that this provision would result in a loss of receipts of \$3 million in fiscal year 2006.

S. 1830 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.

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