



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

July 20, 2007

S. 1138
Nuclear Safeguards and Supply Act of 2007

*As ordered reported by the Senate Committee on Foreign Relations
on June 27, 2007*

S. 1138 would authorize the appropriation of \$10 million for a contribution to the International Atomic Energy Agency (IAEA) to refurbish or replace the IAEA Safeguards Analytical Laboratory. Additionally, the bill would authorize the Secretary of State to pursue a program to develop better safeguards for the civilian use of nuclear energy to prevent proliferation of nuclear weapons. The bill also would authorize the President to develop a process by which nuclear fuel could be provided to other countries in the event of a disruption in the market supply.

Both the development of safeguards and of a reliable supply of nuclear fuel are already authorized under current law and would not have a significant budgetary effect, CBO estimates. Based on historical spending patterns for contributions to international organizations, CBO estimates that implementing S. 1138 would cost \$10 million in 2008 for increased contributions to IAEA, assuming appropriation of the authorized amount. Enacting the bill would not affect direct spending or receipts.

S. 1138 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.

On June 1, 2007, CBO transmitted an estimate for H.R. 885, the International Nuclear Fuel for Peace and Nonproliferation Act of 2007, as ordered reported by the House Committee on Foreign Affairs on May 23, 2007. The differences in the estimates reflect differences in the bills. In particular, H.R. 885 would authorize the appropriation of \$50 million for a contribution to the IAEA for an international nuclear fuel bank and would not authorize the appropriation of funds for the IAEA's laboratory.

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