



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

May 12, 2008

**H.R. 5834  
North Korean Human Rights Reauthorization Act of 2008**

*As ordered reported by the House Committee on Foreign Affairs  
on April 30, 2008*

**SUMMARY**

H.R. 5834 would reauthorize the North Korean Human Rights Act of 2004 (Public Law 108-333) through 2012. The bill would authorize the appropriation of \$26 million a year over the 2009-2012 period for the purpose of providing assistance to North Koreans either directly or through grants to organizations providing such services.

CBO estimates that implementing H.R. 5834 would cost \$97 million over the 2009-2013 period, assuming appropriation of the authorized amounts. Enacting the bill would have no effect on direct spending or revenues.

H.R. 5834 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of H.R. 5834 is shown in the following table. The costs of this legislation fall within budget function 150 (international affairs).

	By Fiscal Year, in Millions of Dollars					2009-
	2009	2010	2011	2012	2013	2013
<b>CHANGES IN SPENDING SUBJECT TO APPROPRIATION</b>						
Human Rights and Democracy Programs						
Authorization Level	4	4	4	4	0	16
Estimated Outlays	*	1	2	3	3	9
Actions to Promote Freedom of Information						
Authorization Level	2	2	2	2	0	8
Estimated Outlays	2	2	2	2	*	8
Assistance Provided Outside of North Korea						
Authorization Level	20	20	20	20	0	80
Estimated Outlays	15	20	20	20	5	80
Total Changes						
Authorization Level	26	26	26	26	0	104
Estimated Outlays	17	23	24	25	8	97

Note: \* = less than \$500,000.

## BASIS OF ESTIMATE

H.R. 5834 would authorize the appropriation of \$26 million a year over the 2009-2012 period to support human rights and democracy programs, to promote freedom of information, and to provide humanitarian assistance to North Koreans who have left North Korea. The bill does not specify which federal programs would receive those funds. Based on information from the Office of Management and Budget, CBO estimates that the United States will provide about \$84 million in foreign assistance to the people of North Korea in 2008. That funding covers energy-related assistance, nonproliferation activities, broadcasting, and programs to promote human rights and democracy. (In addition, a classified amount was provided for migration and refugee assistance.)

For this estimate, CBO assumes that assistance for human rights and democracy would be provided through grants from the Democracy Fund, that assistance for information activities would primarily include radio broadcasting, and that humanitarian assistance to North Koreans outside of North Korea would be provided in the form of migration and refugee assistance. CBO also assumes that this legislation will be enacted before the end of fiscal year 2008, that the authorized amounts will be appropriated near the start of each fiscal year, and that outlays will follow historical spending patterns for existing and similar programs.

### **Human Rights and Democracy Programs**

Section 5 would authorize the appropriation of \$4 million a year over the 2009-2012 period for humanitarian assistance to North Koreans living inside North Korea and to provide grants to private, nonprofit organizations to promote human rights, democracy, rule of law, and the development of a market economy in North Korea. CBO estimates that implementing this provision would cost \$9 million over the 2009-2013 period, assuming appropriation of the authorized amounts.

### **Actions to Promote Freedom of Information**

Section 7 would authorize the appropriation of \$2 million a year over the 2009-2012 period to provide uncensored information within North Korea. Assuming appropriation of the specified amount for each year, implementing this provision would cost \$8 million over the 2009-2013 period.

### **Assistance Provided Outside of North Korea**

Section 10 would authorize the appropriation of \$20 million a year over the 2009-2012 period for humanitarian assistance to North Koreans who have left North Korea. CBO estimates that implementing section 10 would cost \$80 million over the 2009-2013 period, assuming appropriation of the authorized amounts.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

H.R. 5834 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

**ESTIMATE PREPARED BY:**

Federal Costs: Jennifer Reynolds

Impact on State, Local, and Tribal Governments: Neil Hood

Impact on the Private Sector: Jacob Kuipers

**ESTIMATE APPROVED BY:**

Peter H. Fontaine

Assistant Director for Budget Analysis