



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

June 29, 2012

H.R. 4240
Ambassador James R. Lilley and Congressman Stephen J. Solarz
North Korea Human Rights Reauthorization Act of 2012

As ordered reported by the Senate Committee on Foreign Relations on June 19, 2012

H.R. 4240 would reauthorize, through 2017, programs that provide assistance to certain North Koreans who have left that country and that promote human rights, democracy, and freedom of information in North Korea. The act would authorize the appropriation of \$9 million a year over the 2013-2017 period for those programs. (Those programs are authorized at \$24 million for 2012.) CBO estimates that implementing the act would cost \$36 million over the 2013-2017 period, assuming appropriation of the specified amounts.

In particular, the legislation would authorize the appropriation of the following amounts each year over the 2013-2017 period:

- \$5 million for humanitarian assistance for North Korean refugees and emigrants;
- \$2 million to promote human rights, democracy, rule of law, and development of a market economy; and
- \$2 million to promote freedom of information.

Finally, the act would require the Broadcasting Board of Governors to report to the Congress on its progress toward providing 12 hours of daily programming to North Korea. CBO estimates that implementing that requirement would have discretionary costs of less than \$500,000, assuming the availability of appropriated funds.

Enacting H.R. 4240 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

The estimated budgetary impact of H.R. 4240 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					2013-2017
	2013	2014	2015	2016	2017	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	9	9	9	9	9	45
Estimated Outlays	4	7	8	8	9	36

H.R. 4240 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 April 5, 2011, CBO transmitted a cost estimate for H.R. 4240 as ordered reported by the House Committee on Foreign Affairs. The two versions of the act are similar, but the version ordered reported by the House committee contained a higher authorization of appropriations for assistance provided outside North Korea and its estimated cost is correspondingly higher.

The CBO staff contact for this estimate is Sunita D’Monte. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.