



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 23, 2008

S. 3496

Air and Health Quality Empowerment Zone Designation Act of 2008

*As ordered reported by the Senate Committee on Environment and Public Works
on September 17, 2008*

SUMMARY

S. 3496 would authorize the Environmental Protection Agency (EPA) to create air quality empowerment zones in the San Joaquin Valley in California. Certain entities within those zones would then be eligible for grants to fund the replacement or retrofitting of vehicles or engines to reduce air pollution. This legislation would authorize the appropriation of \$20 million for each of fiscal years 2009 through 2013 for EPA to provide such grants. Assuming appropriation of the authorized amounts, CBO estimates that implementing this legislation would cost \$82 million over the 2009-2013 period and \$18 million after 2013. Enacting this legislation would not affect direct spending or revenues.

S. 3496 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 3496 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment). For this estimate, CBO assumes that this legislation will be enacted near the start of fiscal year 2009 and that the amounts authorized by the bill will be appropriated each year. Estimated outlays are based on historical spending patterns for similar programs.

	By Fiscal Year, in Millions of Dollars					2009- 2013
	2009	2010	2011	2012	2013	
CHANGES IN SPENDING SUBJECT TO APPROPRIATION						
Authorization Level	20	20	20	20	20	100
Estimated Outlays	8	16	18	20	20	82

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 3496 contains no intergovernmental or private-sector mandates as defined in UMRA. Local governments and pollution control districts would benefit from grants authorized by the bill. Any costs to those entities, including matching funds to comply with grant conditions, would be incurred voluntarily.

ESTIMATE PREPARED BY:

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