



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 17, 2013

**H.R. 3
Northern Route Approval Act**

*As ordered reported by the House Committee on Transportation and Infrastructure
on May 16, 2013*

H.R. 3 would specify various procedures pertaining to federal review and permitting of the proposed Keystone XL pipeline, which would be constructed by a private company to carry crude oil from Alberta, Canada, to destinations on the U.S. Gulf Coast. In particular, the bill would exempt the proposed project, which would cross international borders, from the existing requirement to obtain a Presidential permit. In addition, H.R. 3 would deem various actions by federal agencies involved with permitting decisions related to the proposed pipeline to be satisfied and certain federal permits to be granted.

CBO estimates that implementing H.R. 3 would have no significant impact on the federal budget. Based on information from affected agencies, CBO estimates that the proposed changes to administrative procedures would not significantly affect federal spending for such activities relative to current law. The bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 3 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act.

On May 1, 2013, CBO transmitted a cost estimate for H.R. 3 as ordered reported by the House Committee on Energy and Commerce on April 17, 2013. On May 2, 2013, CBO transmitted a cost estimate for H.R. 3 as ordered reported by the House Committee on Natural Resources. All three versions of the legislation are identical, and the CBO cost estimates are the same.

The CBO staff contact for this estimate is Megan Carroll. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.