



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 20, 2014

H.R. 4795 **Promoting New Manufacturing Act**

*As ordered reported by the House Committee on Energy and Commerce
on June 10, 2014*

SUMMARY

H.R. 4795 would impose various administrative requirements on the Environmental Protection Agency (EPA) aimed at increasing the transparency of its decisions and reducing delays associated with the permitting process under the Clean Air Act's New Source Review (NSR) preconstruction program. Under that program, stationary sources of air pollution are required to obtain permits prior to building any new facilities or making any modifications to existing facilities. Usually, NSR permits are issued by state or local air pollution control agencies.

Enacting this legislation would require EPA to perform the following activities:

- Present on the agency's website the number of preconstruction permits issued annually, the percentage of such permits issued within one year after filing an application, and the average length of time for EPA's Environmental Appeals Board to resolve administrative appeals;
- Publish regulations and guidance to assist states, permitting authorities, and permitting applicants whenever final or revised national ambient air quality standards are implemented; and
- Submit an annual report to the Congress identifying actions being taken by the agency to expedite the permitting process and the specific reasons for any delays in issuing permits.

CBO estimates that implementing this legislation would cost about \$2 million over the 2015-2019 period, subject to the availability of appropriated funds. Enacting H.R. 4795 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply.

H.R. 4795 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

CBO estimates that implementing H.R. 4795 would cost \$2 million over the next five years. The costs of this legislation fall within budget function 300 (natural resources and environment).

BASIS OF ESTIMATE

For this estimate, CBO assumes that H.R. 4795 will be enacted by the end of 2014 and that the necessary amounts to implement the legislation will be appropriated.

Based on information from EPA, CBO estimates that implementing H.R. 4795 would have a small annual cost. Under the legislation, EPA would provide permitting data on the agency's website and prepare an annual report for the Congress using information that is already collected. In addition, EPA usually publishes implementing guidance associated with final regulations. However, implementing this legislation would ensure that such guidance is published concurrently rather than after final regulations have been published. On balance, CBO estimates that over the 2015-2019 period, implementing this bill would cost about \$2 million.

PAY-AS-YOU-GO-CONSIDERAIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 4795 contains no intergovernmental or private-sector mandates as defined in UMRA.

ESTIMATE PREPARED BY:

Federal Costs: Susanne S. Mehlman
Impact on State, Local, and Tribal Governments: Jon Sperl
Impact on the Private Sector: Matthew Denny

ESTIMATE APPROVED BY:

Theresa Gullo
Deputy Assistant Director for Budget Analysis