



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

August 10, 2007

S. 1785

**A bill to amend the Clean Air Act to establish deadlines
by which the Administrator of the Environmental Protection Agency
shall issue a decision on whether to grant certain waivers
of preemption under that act**

*As reported by the Senate Committee on Environment and Public Works
on August 2, 2007*

CBO estimates that enacting S. 1785 would have no significant impact on the federal budget. Enacting the legislation would not affect direct spending or revenues.

S. 1785 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

S. 1785 would require the Administrator of the Environmental Protection Agency (EPA) to issue certain decisions within deadlines established by the bill. Those decisions concern whether states should be granted waivers to preempt federal standards for motor vehicle emissions. The bill would require EPA to issue a decision on any requests for waivers that were submitted before January 31, 2006, and are still pending on the date of enactment of S. 1785, no later than September 30, 2007. Any subsequent requests for waivers would require a determination by EPA within 180 days after the agency receives the request.

Currently, EPA is reviewing a request for a waiver for California that would permit the state to implement a regulation it approved in 2004 that is designed to reduce emissions from automobiles and regulate greenhouse gas emissions. According to EPA, enacting this bill could require the agency to redirect personnel and other resources to its ongoing review of California's request to meet the deadline established under S. 1785. CBO does not expect that EPA would require additional funds in 2007 to complete its review. Furthermore, EPA expects that any future requests for waivers would be less time-consuming than the current request from California. CBO estimates that EPA would not require any significant additional resources in subsequent years to expedite its decisions on similar requests for

waivers. Thus, we estimate that implementing this legislation would not have a significant effect on the federal budget.

The CBO staff contact for this estimate is Susanne S. Mehlman. This estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.