



**CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE**

September 24, 2008

**S. 1387  
Federal Greenhouse Gas Registry Act of 2008**

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

S. 1387 would require the Environmental Protection Agency (EPA), not later than two years after enactment, to establish a greenhouse gas registry that contains data from electricity-generating facilities and other types of facilities about greenhouse gas emissions. The bill also would require EPA to establish rules related to data collection, reporting, and data verification.

According to EPA, the agency is currently working on a draft rule that requires mandatory reporting of greenhouse gases for the largest emissions sources in the United States. Based on information from EPA, CBO estimates that implementing this legislation would cost less than \$500,000 a year, subject to the availability of appropriated funds.

Enacting this legislation also would establish civil penalties (which are recorded in the budget as revenues) for the owners and operators of affected facilities that fail to comply with the requirements under this legislation. CBO estimates that any increase in revenues resulting from those civil penalties would not be significant. Enacting this bill would not affect direct spending.

S. 1387 would impose an intergovernmental and private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA) by requiring facilities, as defined in the bill, to submit data on greenhouse gas emissions to the registry established in the bill. Because the rule EPA is drafting under current law would likely include many of the facilities covered by the bill, the incremental costs of the mandates would likely not be substantial. In addition, most electric utilities are already required to report similar data to EPA under the Clean Air Act. Consequently, CBO estimates that the costs of the mandate would fall below the annual thresholds established in UMRA (\$68 million for intergovernmental mandates and \$136 million for private-sector mandates in 2008, adjusted annually for inflation).

The CBO staff contacts for this estimate are Susanne S. Mehlman (for federal costs), Burke Doherty (for the state and local impact), and Amy Petz (for the private-sector impact). This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.