



CONGRESSIONAL BUDGET OFFICE  
COST ESTIMATE

December 8, 2010

**S. 3973**  
**Diesel Emissions Reduction Act of 2010**  
*As ordered reported by the Senate Committee on Environment and Public Works  
on November 30, 2010*

**SUMMARY**

S. 3973 would reauthorize and amend the diesel emissions reduction program administered by the Environmental Protection Agency (EPA). This legislation would authorize the appropriation of \$200 million annually over the 2012-2016 period for EPA to provide grants, loans, and rebates to states and other organizations working to reduce emissions from diesel engines. Assuming appropriation of the authorized funds, CBO estimates that implementing S. 3973 would cost \$700 million over the 2012-2015 period and \$300 million after 2015.

Pay-as-you-go procedures do not apply to this legislation because it would not affect direct spending or revenues.

S. 3973 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local or tribal governments.

**ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 3973 is shown in the following table. The costs of this legislation fall within budget function 300 (natural resources and environment).

	By Fiscal Year, in Millions of Dollars					2011-2015
	2011	2012	2013	2014	2015	

**CHANGES IN SPENDING SUBJECT TO APPROPRIATION**

Authorization Level	0	200	200	200	200	800
Estimated Outlays	0	100	200	200	200	700

## **BASIS OF ESTIMATE**

For this estimate, CBO assumes that S. 3973 will be enacted by the end of calendar year 2010 and that authorized amounts will be appropriated in each year. Estimated outlays are based on historical spending patterns for this program.

**PAY-AS-YOU-GO CONSIDERATIONS:** None.

## **INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 3973 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. State, local, and tribal governments would benefit from grants authorized by the bill. Any costs to those governments would be incurred voluntarily as a condition of federal assistance.

## **ESTIMATE PREPARED BY:**

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