

S. 2300, CIT Act of 2019

As reported by the Senate Committee on Energy and Natural Resources on October 24, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2025	2020-2030
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	2	840	not estimated
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

S. 2300 would require the Department of Energy (DOE), along with the Office of Science and Technology Policy and other federal agencies, to encourage the development of technologies that increase the competitiveness of industry and manufacturing and reduce emissions in the nonpower industrial sector. Under the program, DOE would award grants, sponsor demonstration projects, and provide technical assistance. The bill also would establish a committee consisting of members from federal agencies, labor groups, research organizations, and private industry to advise DOE on the program, develop a strategic plan, and report results.

For this estimate, CBO assumes that the bill will be enacted in fiscal year 2020. Under that assumption, DOE could incur some costs in 2020, but CBO expects that most of the costs would be incurred in 2021 and later. Any spending would be subject to the availability of appropriated funds.

To estimate the cost of implementing S. 2300, CBO considered the costs of similar DOE programs. The costs of DOE's decarbonization programs have varied over the past decade, but in recent years, they have received annual appropriations of about \$200 million. By comparison, DOE's advanced manufacturing programs received more than \$300 million in recent annual appropriations, but their scope is generally broader than the effort proposed in S. 2300. On that basis, CBO estimates the authorization for 2020 would be \$200 million, with that amount growing by about \$5 million each year to account for inflation. Based on



historical spending patterns for similar programs, CBO estimates that implementing S. 2300 would cost \$840 million over the 2020-2025 period.

The costs of the legislation, detailed in Table 1, would largely fall within budget function 270 (energy).

Table 1.
Estimated Increases in Spending Subject to Appropriation Under S. 2300

	By Fiscal Year, Millions of Dollars						2020-2025
	2020	2021	2022	2023	2024	2025	
Estimated Authorization	200	205	210	215	220	225	1,275
Estimated Outlays	2	64	150	196	208	220	840

The CBO staff contact for this estimate is Aaron Krupkin. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.