



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 27, 2010

### **H.R. 1796** **Residential Carbon Monoxide Poisoning Prevention Act**

*As ordered reported by the House Committee on Energy and Commerce on July 15, 2010*

H.R. 1796 would amend the Consumer Product Safety Act to establish as mandatory consumer product safety rules existing standards for certain carbon monoxide detection devices. The bill would authorize the appropriation of \$2 million per year for fiscal years 2011 through 2015 to provide grants to states and local governments to carry out the carbon monoxide poisoning prevention activities specified in the bill. The activities would include purchasing and installing approved carbon monoxide alarms, training state or local fire code enforcement officials, developing training materials, and educating the public about the risks of carbon monoxide.

Based on preliminary information from the agency, CBO estimates the cost of administering the grants would be less than \$1 million per year for fiscal years 2011 through 2015. Assuming appropriation of the authorized amounts for the grants and the amounts necessary for administrative costs, CBO estimates that implementing H.R. 1796 would cost \$12 million over the 2011-2015 period. Enacting H.R. 1796 would not affect direct spending or revenues; therefore, pay-as-you-go procedures would not apply.

H.R. 1796 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

H.R. 1796 contains private-sector mandates as defined in UMRA. By requiring the Consumer Product Safety Commission (CPSC) to adopt the current industry standards developed by the American National Standards Institute (ANSI) for carbon monoxide gas and vapor detection units, the bill would prohibit the manufacture, distribution, or sale of units that do not meet those standards. In addition, the bill would require the Underwriters Laboratories to notify the CPSC if the industry standards for those units are revised to allow the CPSC to consider adopting the revised industry standards.

Because most manufacturers already comply with the voluntary ANSI standards, CBO estimates that the additional cost to comply with the standard would be low. In addition, the cost to Underwriters Laboratories to notify the CPSC would be minimal.

Therefore, CBO estimates that the aggregate cost of the mandates would fall below the annual threshold established in UMRA for private-sector mandates (\$141 million in 2010, adjusted annually for inflation).

The CBO staff contacts for this estimate are Kirstin Nelson (for federal costs) and Marin Randall (for the private-sector impact). The estimate was approved by Holly Harvey, Deputy Assistant Director for Budget Analysis.