



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

July 21, 2017

**S. 1447
Diesel Emissions Reduction Act of 2017**

*As ordered reported by the Senate Committee on Environment and Public Works
on July 12, 2017*

SUMMARY

S. 1447 would authorize the appropriation of \$100 million annually through 2022 for the Environmental Protection Agency (EPA) to provide grants for projects and state programs that reduce emissions from diesel engines. The bill also would require the EPA to provide guidance to states about technical differences in vehicles, engines, equipment, and vehicle fleets. Finally, the bill would specify that any funds not claimed by states for diesel programs be reallocated for projects that retrofit vehicles.

Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 1447 would cost \$480 million over the 2018-2022 period.

Enacting the bill would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. CBO estimates that enacting S. 1447 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

S. 1447 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. 1447 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						2017- 2022
	2017	2018	2019	2020	2021	2022	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
Authorization Level	0	100	100	100	100	100	500
Estimated Outlays	0	85	95	100	100	100	480

BASIS OF ESTIMATE

For this estimate, CBO assumes that S. 1447 will be enacted near the end of fiscal year 2017, that the specified amounts will be appropriated in each year starting in 2018, and that outlays will follow historical spending patterns for the program. The program received an appropriation of \$50 million in fiscal year 2017.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INCREASE IN LONG-TERM DEFICIT AND DIRECT SPENDING

CBO estimates that enacting S. 1447 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 1447 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments.

ESTIMATE PREPARED BY:

Federal Costs: Jon Sperl
 Impact on State, Local, and Tribal Governments: Jon Sperl
 Impact on the Private Sector: Amy Petz

ESTIMATE APPROVED BY:

H. Samuel Papenfuss
 Deputy Assistant Director for Budget Analysis