



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 10, 2003

S. 1486
POPs, LRTAP POPs, and PIC Implementation Act of 2003

*As ordered reported by the Senate Committee on Environment and Public Works
on July 30, 2003*

S. 1486 would authorize the Environmental Protection Agency (EPA) to implement three international environmental agreements: the Stockholm Convention on Persistent Organic Pollutants (POPs), the Protocol to the 1979 Convention on Long-Range Transboundary Air Pollution (LRTAP) for POPs, and the Rotterdam Convention on the Prior Informed Consent (PIC) Procedure for Certain Hazardous Chemicals and Pesticides in International Trade. Those agreements are intended to help protect environmental and human health by eliminating or restricting the use of certain chemicals and to provide a means for participating countries to obtain and disseminate information about chemicals that may be imported and exported.

CBO estimates that implementing S. 1486 would cost \$5 million over the next five years, assuming appropriation of the necessary amounts. Such funding would be required to support additional personnel costs and contractor costs that would be incurred by EPA under this legislation. Enacting S. 1486 could affect direct spending and receipts because the bill would provide for civil and criminal penalties against persons who fail to comply with the bill's requirements. CBO estimates that any such increase in civil and criminal penalties would not be significant.

While EPA currently regulates many of the chemicals that would be affected by these agreements, implementing this legislation would result in some new responsibilities for EPA. Specifically, EPA would be required to participate in the international process for determining whether additional chemicals should be prohibited or restricted from use under the agreements. According to EPA, such a review process would take five or more years per chemical, and initially a few chemicals would be under consideration. EPA's duties would include issuing public notices following decisions by the committees established under the agreements, issuing reports on the benefits and risks associated with the use of certain chemicals, and promulgating rules. Based on information from EPA, CBO estimates that such activities would cost about \$1 million annually, subject to the availability of appropriated funds.

Section 4 of the Unfunded Mandates Reform Act UMRA excludes from the application of that act any legislative provisions that are necessary for the ratification or implementation of international treaty obligations. CBO has determined that because S. 1486 would implement three environmental treaties, it falls within that exclusion. CBO has thus not reviewed the bill for the presence of mandates.

The CBO staff contact for this estimate is Susanne S. Mehlman. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.