



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 12, 2007

S. 1771

Virginia Graeme Baker Pool and Spa Safety Act

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on July 19, 2007*

SUMMARY

S. 1771 would require the Consumer Product Safety Commission (CPSC) to undertake several initiatives intended to improve the safe use—especially among children—of swimming pools, spas, and similar products. It would require the agency to issue regulations designed to reduce the risk of entrapment in all pools and spas manufactured or distributed within the United States. It would establish a new grant program within the CPSC to assist states in enforcing pool and spa safety standards that meet certain federal guidelines. The bill also would authorize funding of a public education program about pool safety.

Assuming appropriation of the specified amounts, CBO estimates that implementing the bill would cost \$4 million in 2008 and \$28 million over the 2008-2012 period. Enacting S. 1771 would not affect direct spending or receipts.

S. 1771 contains intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) because it would preempt state and local standards governing the safety of public swimming pools and spas and require that all publicly owned swimming pools and spas be equipped with anti-entrapment devices. CBO concludes that while many local governments already meet the standards specified in the bill, some cities, counties, and public schools would incur costs to purchase equipment or modify pools. In aggregate, CBO estimates that the costs of complying with the intergovernmental mandates in the bill would total less than \$40 million in 2008 and thus would not exceed the threshold established in UMRA (\$66 million in 2007, adjusted annually for inflation).

S. 1771 also contains private-sector mandates as defined in UMRA. The bill would prohibit the manufacture, sale or distribution of drain covers that do not meet certain entrapment protection safety standards. It also would require all public pools to be equipped with certain devices or systems designed to prevent entrapment by pool and spa drains. Because of uncertainty about the number of pools and spas that are already in compliance with the

mandate, CBO cannot determine whether the aggregate direct cost of the mandates would exceed the annual threshold established in UMRA for private-sector mandates (\$131 million in 2007, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 1771 is shown in the following table. The costs of this legislation fall within budget function 550 (health).

	By Fiscal Year, in Millions of Dollars				
	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Authorization Level	5	7	7	5	5
Estimated Outlays	4	6	6	6	6

BASIS OF ESTIMATE

S. 1771 would authorize the appropriation of \$2 million a year for fiscal years 2009 and 2010 for a new grant program to be administered by the CPSC. States that have laws governing pool and spa safety that meet certain requirements specified in the bill would be eligible for grants to enforce those laws and to educate pool builders, owners, and the public about pool safety. States would be required to use at least half of their grant funds to enforce their pool safety laws.

The bill also would authorize the appropriation of \$5 million annually over the 2008-2012 period for the CPSC to establish a program designed to educate the public about pool and spa safety.

Assuming appropriation of the specified amounts, CBO estimates that implementing these programs would cost \$4 million in 2008 and \$28 million over the 2008-2012 period.

ESTIMATED IMPACT ON STATE, LOCAL, AND TRIBAL GOVERNMENTS

Most state and local governments currently have laws governing the safety of swimming pools and spas, including standards for drainage systems. S. 1771 would preempt those standards and require that all public pools and spas comply with the standards specified in the bill. That preemption would be an intergovernmental mandate as defined in UMRA. However, because the preemption would simply limit the application of state and local laws, CBO estimates that it would not impose significant costs on state or local governments.

The bill also would require, within one year of enactment, that all publicly owned pools and spas be equipped with devices or systems to prevent entrapment in drainage systems. Equipment could include drain covers, vacuum release systems, or dual-drain systems. The requirement to install equipment or modify a pool or spa constitutes an intergovernmental mandate on city and county governments, including public school systems. While many state and local governments already have standards that are similar to the requirements in the bill, some of those laws and local ordinances exempt certain pools and spas. Local governments operating such exempt facilities would likely incur costs to purchase equipment or modify pools in order to comply with the new federal standards. According to industry and government officials, those costs would range from \$100 to \$4,000 per pool, depending on the pool's size, design, and age. Based on information from a survey of more than 40 city and school officials across the country, CBO estimates that, assuming S. 1771 is enacted near the start of fiscal year 2008, the cost to governmental entities to comply with this mandate would total less than \$40 million in that year. Thus, the estimated costs would not exceed the threshold established in UMRA for intergovernmental mandates (\$66 million in 2007, adjusted annually for inflation).

The bill also would provide grants to states for implementing and enforcing state laws that govern pool and spa safety. To receive the grants, states would have to have laws that comply with federal guidelines.

ESTIMATED IMPACT ON THE PRIVATE SECTOR

S. 1771 would impose private-sector mandates as defined in UMRA. The bill would impose a mandate on manufacturers, distributors, and sellers of pool and spa drain covers by requiring that any swimming pool or spa drain cover manufactured, distributed, or entered into commerce in the United States meet certain entrapment protection standards developed by the American Society of Mechanical Engineers and the American National Standards Institute (ASME/ANSI). Based on information from the CPSC and industry sources, CBO estimates that the incremental cost to comply with this mandate would not exceed the annual threshold established in UMRA (\$131 million in 2007, adjusted annually for inflation).

The bill also would require that public pools and spas—including pools and spas operated by hotels, organizations, and residential communities—be equipped with devices and systems designed to prevent entrapment by pool or spa drains that comply with the ASME/ANSI performance standard. Depending on the facility, such equipment could include drain covers, vacuum-release systems, or dual-drain systems. Because of uncertainty about the number of pools and spas already in compliance with the mandate, CBO cannot determine the incremental cost of the mandate. Consequently, CBO cannot determine whether the total direct cost of the mandates in the bill would exceed the annual threshold established by UMRA for private-sector mandates.

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