



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 3, 2006

S. 2348

Nuclear Release Notice Act of 2006

*As reported by the Senate Committee on Environment and Public Works
on September 25, 2006*

S. 2348 would direct the Nuclear Regulatory Commission (NRC) to issue regulations requiring civilian facilities that provide nuclear power to provide notice of any release to the environment of radioactive substances.

CBO estimates that S. 2348 would not significantly affect the federal budget. Based on information from the NRC, we estimate the agency would spend a total of less than \$500,000 over the 2007-2008 period to issue the proposed regulations, assuming the availability of appropriated funds. For this estimate, we assume that 90 percent of that amount would be offset by certain fees the NRC is authorized to collect to offset its costs. (Under current law, the NRC's authority to collect such fees is subject to appropriation.) Enacting the bill would not affect direct spending or revenues.

S. 2348 contains mandates as defined in the Unfunded Mandates Reform Act (UMRA) because it would impose new reporting requirements on both intergovernmental and private-sector entities. According to government sources, the bill would require civilian facilities that provide nuclear power to report to the NRC and state and county governments whenever an unplanned release of radioactive substances extends outside the boundaries controlled by the nuclear facility. Under current law, civilian nuclear facilities must report certain releases to the NRC, but they are not required to notify the NRC of unplanned releases that extend outside the boundaries controlled by those facilities unless they pose an immediate threat to public health or safety; they also are not required to notify state or county governments of such releases.

The new reporting requirement would be an enforceable duty on public and private facilities that provide nuclear power. Based on information from the NRC and industry officials, CBO estimates that the additional reporting requirements on intergovernmental and private-sector entities would be minimal and would result in costs well below the annual thresholds established by UMRA (\$64 million for intergovernmental mandates and \$128 million for private-sector mandates in 2006, adjusted annually for inflation).

The CBO staff contacts for this estimate are Megan Carroll (for federal costs), Lisa Ramirez-Branum (for the impact on state, local, and tribal governments), and Craig Cammarata (for the impact on the private sector). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.