

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

June 10, 2008

S. 2555 Reducing Global Warming Pollution from Vehicles Act of 2008

As ordered reported by the Senate Committee on Environment and Public Works on May 21, 2008

S. 2555 would allow California to establish standards that are stricter than those of the federal government for emissions from motor vehicles. The Clean Air Act allows California to establish emissions standards that are stricter than the federal government's if granted a waiver by the Environmental Protection Agency (EPA). This bill would overturn a recent decision by the agency to deny that waiver.

CBO estimates that EPA would incur additional costs to monitor and enforce the alternative regulations. We expect, however, that the costs would not be significant because states that adopt the alternative standards would be solely responsible for overseeing their motor vehicle emissions. Enacting the legislation would not affect direct spending or revenues.

S. 2555 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contacts for this estimate are Susanne S. Mehlman and Jeffrey LaFave. This estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.