

**S. 1976, Federal Permitting Reform and Jobs Act**

As ordered reported by the Senate Committee on Homeland Security and Governmental Affairs on July 24, 2019

By Fiscal Year, Millions of Dollars	2020	2020-2024	2020-2029
Direct Spending (Outlays)	*	*	*
Revenues	<u>0</u>	<u>0</u>	<u>0</u>
Increase or Decrease (-) in the Deficit	*	*	*
Spending Subject to Appropriation (Outlays)	<b>2</b>	<b>30</b>	not estimated
Statutory pay-as-you-go procedures apply?	<b>Yes</b>	<b>Mandate Effects</b>	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	<b>No</b>	Contains intergovernmental mandate?	<b>Yes, Under Threshold</b>
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
* = between zero and \$500,000.			

S. 1976 would permanently authorize the Federal Permitting Improvement Steering Council (FPISC). The council, whose authorization expires in December 2022, aims to improve the timeliness, predictability, and transparency of the federal review process for nonfederal infrastructure projects that the council may assist. The bill would expand the number of projects that the council may assist, set a goal that the federal permitting process for such projects be completed in two years, clarify the role of the FPISC to resolve disputes among federal agencies, and make technical corrections to the federal permitting process. Finally, the bill would authorize the FPISC to use fees collected by the council from project sponsors to reimburse state, local, and tribal governments for any work they provide to the council. To date, no fees have been collected by the FPISC and CBO has no basis for estimating that fees collected under the bill would be significant. Furthermore, CBO expect that any collections would probably be spent soon after the collection so that the net effect on direct spending would be negligible.

The Congress appropriated \$6 million for the council in fiscal year 2019. FPISC has requested \$7 million for 2020 and \$11 million for 2021. Using that information and adjusting those amounts for the proposed additional work required under the bill, CBO estimates that implementing S. 1976 would cost \$30 million over the 2020-2024 period. The estimated costs from 2020 through the first quarter of 2023 reflect the additional work that would be

required under the bill. The costs for the remainder of 2023 and 2024 reflect extending the FPISC’s authorization.

The costs of this legislation, detailed in Table 1, fall within budget function 800 (general government).

**Table 1.**  
**Estimated Increases in Spending Subject to Appropriation Under S. 1976**

	By Fiscal Year, Millions of Dollars					2020-2024
	2020	2021	2022	2023	2024	
Estimated Authorization	2	3	3	10	12	30
Estimated Outlays	2	3	3	10	12	30

S. 1976 would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) by extending existing mandates on sponsors of large infrastructure projects. Under current law, project sponsors seeking a federal permit must submit a notice to the FPISC and to a lead federal agency when initiating a proposed project. Current law also authorizes federal agencies to assess fees for costs incurred in conducting environmental reviews. By permanently authorizing the FPISC, the bill would extend those mandates. Based on published data on the low volume of projects subject to those duties under current law, CBO estimates that the cost to comply with the mandates would fall below the annual thresholds for intergovernmental and private-sector mandates established in UMRA (\$82 million and \$164 million in 2019, respectively, adjusted annually for inflation).

The CBO staff contacts for this estimate are Matthew Pickford (for federal costs) and Andrew Laughlin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.