CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

March 11, 2015

H.R. 1030
Secret Science Reform Act of 2015

As ordered reported by the House Committee on Science, Space, and Technology on March 3, 2015

SUMMARY

H.R. 1030 would amend the Environmental Research, Development, and Demonstration Authorization Act of 1978 to prohibit the Environmental Protection Agency (EPA) from proposing, finalizing, or disseminating a "covered action" unless all scientific and technical information used to support that action is publicly available in a manner that is sufficient for independent analysis and substantial reproduction of research results. Covered actions would include assessments of risks, exposure, or hazards; documents specifying criteria, guidance, standards, or limitations; and regulations and regulatory impact statements.

Although H.R. 1030 would not require EPA to disseminate any scientific or technical information that it relies on to support covered actions, the bill would not prohibit EPA from doing so. Based on information from EPA, CBO expects that EPA would spend $250 million annually over the next few years to ensure the transparency of information and data supporting some covered actions.

Enacting H.R. 1030 would not affect direct spending or revenues; therefore, pay-as-you-go procedures do not apply. H.R. 1030 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

This legislation would direct EPA to implement H.R. 1030 using up to $1 million a year from amounts authorized to be appropriated for other activities under current law. Although H.R. 1030 would not authorize additional appropriations to implement the requirements of the bill, CBO estimates that implementing H.R. 1030 would cost about $250 million a year for the next few years, subject to appropriation of the necessary amounts. Costs in later years would probably decline gradually from that level. The

additional discretionary spending would cover the costs of expanding the scope of EPA studies and related activities such as data collection and database construction for all of the information necessary to meet the legislation's requirements.

BASIS OF ESTIMATE

Under current law, EPA typically spends about $500 million each year to support research and development activities, including assessments to determine the potential risk to public health from environmental contaminants. The number of studies involved in supporting covered actions depends on the complexity of the issue being addressed. For example, when addressing a recent issue with flaring at petroleum refineries, EPA relied on a dozen scientific studies. In contrast, when reviewing the National Ambient Air Quality Standards, the agency relied on thousands of scientific studies. In total, the agency relies on about 50,000 scientific studies annually to perform its mission—although some of those studies are used more than once from year to year.

The costs of implementing H.R. 1030 are uncertain because it is not clear how EPA would meet the bill's requirements. Depending on their size and scope, the new activities called for by the bill would cost between $10,000 and $30,000 for each scientific study used by the agency. If EPA continued to rely on as many scientific studies as it has used in recent years, while increasing the collection and dissemination of all the technical information used in such studies as directed by H.R. 1030, then implementing the bill would cost at least several hundred million dollars a year. However, EPA could instead rely on significantly fewer studies each year in support of its mission, and limit its spending on data collection and database construction activities to a relatively small expansion of existing study-related activity; in that scenario, implementing the bill would be much less costly.

Thus, the costs of implementing H.R. 1030 would ultimately depend on how EPA adapts to the bill's requirements. (It would also depend on the availability of appropriated funds to conduct the additional data collection and database construction activities and related coordination and reporting activities under the legislation.) CBO expects that EPA would modify its practices, at least to some extent, and would base its future work on fewer scientific studies, and especially those studies that have easily accessible or transparent data. Any such modification of EPA practices would also have to take into consideration the concern that the quality of the agency's work could be compromised if that work relies on a significantly smaller collection of scientific studies; we expect that the agency would seek to reduce its reliance on numerous studies without sacrificing the quality of the agency's covered actions related to research and development.

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On balance—recognizing the significant uncertainty regarding EPA's potential actions under the bill—CBO expects that the agency would probably cut the number of studies it relies on by about one-half and that the agency would aim to limit the costs of new activities required by the bill, such as data collection, correspondence and coordination with study authors, construction of a database to house necessary information, and public dissemination of such information. As a result, CBO estimates the incremental costs to the agency would be around $250 million a year initially, subject to appropriation of the necessary amounts. In our assessment that figure lies near the middle of a broad range of possible outcomes under H.R. 1030. CBO expects that the additional costs to implement the legislation would decline over time as EPA became more adept and efficient at working with authors and researchers to ensure that the data used to support studies are provided in a standardized and replicable form.

PAY-AS-YOU-GO CONSIDERATIONS: None.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 1030 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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