

118TH CONGRESS
2D SESSION

S. 5047

To require carbon scoring by the Congressional Budget Office.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 12, 2024

Mr. WHITEHOUSE (for himself, Mr. VAN HOLLEN, Mr. WELCH, Mr. PADILLA, Ms. WARREN, Mr. HEINRICH, Mr. SCHATZ, and Mr. MARKEY) introduced the following bill; which was read twice and referred to the Committee on the Budget

A BILL

To require carbon scoring by the Congressional Budget Office.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Carbon Scoring Act
5 of 2024”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) The function of the Congressional Budget
9 Office is to provide the Committee on the Budget of
10 the Senate and the Committee on the Budget of the

1 House of Representatives with information on budg-
2 et authority, outlays, revenues, and changing condi-
3 tions that might impact the Federal budget and the
4 legislative activities of Congress.

5 (2) Unforeseen economic shocks, such as the
6 2008 mortgage crisis and the COVID–19 pandemic,
7 have contributed greatly to the public debt of the
8 Federal Government.

9 (3) Climate change poses systemic risks to the
10 financial system of the United States.

11 (4) The increased severity and frequency of ex-
12 treme weather events caused by climate change costs
13 the United States economy an estimated
14 \$150,000,000,000 every year, and the cost is grow-
15 ing.

16 (5) Predicted economic shocks from climate
17 change could cost the economy of the United States
18 \$14,500,000,000,000 over the next 50 years, reduce
19 the gross domestic product of the United States by
20 10 percent by the end of the century, and add tril-
21 lions of dollars to the public debt of the Federal
22 Government.

23 (6) Current damages associated with climate
24 change are straining the Federal budget and strain-

1 ing insurance and home mortgage markets from
2 California to Florida.

3 (7) The exacerbation of extreme weather,
4 drought, and warming is undermining agricultural
5 yields, the durability of infrastructure, and supply
6 chain reliability, all of which contribute to rising
7 consumer prices.

8 (8) Policies that limit greenhouse gas emissions
9 could offer long-term savings for the Federal budget.

10 **SEC. 3. GREENHOUSE GAS EMISSIONS MODELING CAPAC-**
11 **ITY AND REPORTING.**

12 (a) IN GENERAL.—Section 202 of the Congressional
13 Budget Act of 1974 (2 U.S.C. 602) is amended by adding
14 at the end the following:

15 “(h) GREENHOUSE GAS EMISSIONS MODELING.—

16 “(1) DEFINITIONS.—In this subsection:

17 “(A) DIRECTOR.—The term ‘Director’
18 means the Director of the Congressional Budg-
19 et Office.

20 “(B) GREENHOUSE GAS.—The term
21 ‘greenhouse gas’ has the meaning given that
22 term in section 211(o)(1) of the Clean Air Act
23 (42 U.S.C. 7545(o)(1)).

24 “(2) ESTABLISHING AN EMISSIONS MODELING
25 CAPACITY.—

1 “(A) IN GENERAL.—The Director shall
2 prepare and maintain economic models that can
3 provide estimates of the effect of various poli-
4 cies on greenhouse gas emissions—

5 “(i) for the power sector, by not later
6 than 1 year after the date of enactment of
7 the Carbon Scoring Act of 2024;

8 “(ii) for transportation, by not later
9 than January 1, 2026;

10 “(iii) for industry, by not later than
11 January 1, 2028;

12 “(iv) for buildings, by not later than
13 January 1, 2030; and

14 “(v) for all other emitting sectors, as
15 soon as is practicable.

16 “(B) ANNUAL REPORTS.—Not later than
17 December 31, 2025, and December 31 of each
18 year thereafter, the Director shall publish a re-
19 port that—

20 “(i) provides an overview of the green-
21 house gas emissions modeling capabilities
22 of the Congressional Budget Office;

23 “(ii) discusses any updates made to
24 models related to the greenhouse gas emis-

1 sions estimating function of the Congres-
2 sional Budget Office; and

3 “(iii) discusses how any updates made
4 to models affect the emissions baseline re-
5 quired under paragraph (3).

6 “(C) ONGOING IMPROVEMENT.—The Di-
7 rector shall work to continually improve the ac-
8 curacy and granularity of the economic models
9 described in subparagraph (A).

10 “(D) EXISTING FEDERAL RESOURCES.—In
11 preparing economic models under this para-
12 graph, the Director may, where applicable, con-
13 sider using modeling resources developed by the
14 Federal Government, such as the National En-
15 ergy Modeling System published by the Energy
16 Information Administration.

17 “(3) EMISSIONS BASELINE.—Not later than
18 February 15, 2025, and February 15 of each year
19 thereafter, the Director shall develop and publish a
20 detailed estimate of greenhouse gas emissions in the
21 United States during the year during which the re-
22 port is issued and each fiscal year thereafter
23 through the last fiscal year covered by the most re-
24 cent baseline prepared in accordance with section
25 257, based on laws enacted through the date of the

1 report and taking into account projected economic
2 factors.

3 “(4) PRIORITIZATION OF GREENHOUSE GAS-
4 SES.—For purposes of economic models, emissions
5 baselines, and greenhouse gas emissions estimates
6 under paragraphs (2) and (3) of this subsection and
7 section 402A, the Director—

8 “(A) shall make best efforts to consider all
9 greenhouse gas emissions for any economic
10 model, emissions baseline, or greenhouse gas
11 emissions estimate prepared on or after the
12 date of enactment of the Carbon Scoring Act of
13 2024; and

14 “(B) shall consider—

15 “(i) carbon dioxide for any economic
16 model, emissions baseline, or greenhouse
17 gas emissions estimate prepared on or
18 after the date of enactment of the Carbon
19 Scoring Act of 2024;

20 “(ii) methane for any economic model,
21 emissions baseline, or greenhouse gas emis-
22 sions estimate prepared on or after Janu-
23 ary 1, 2027; and

24 “(iii) all greenhouse gas emissions for
25 any economic model, emissions baseline, or

1 greenhouse gas emissions estimate pre-
2 pared on or after January 1, 2030.”.

3 (b) EMISSIONS ESTIMATES BY CONGRESSIONAL
4 BUDGET OFFICE.—

5 (1) IN GENERAL.—Title IV of the Congres-
6 sional Budget Act of 1974 (2 U.S.C. 651 et seq.) is
7 amended by inserting after section 402 the fol-
8 lowing:

9 **“SEC. 402A. EMISSIONS ESTIMATES BY CONGRESSIONAL**
10 **BUDGET OFFICE.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) DIRECTOR.—The term ‘Director’ means
13 the Director of the Congressional Budget Office.

14 “(2) EMISSIONS BASELINE.—The term ‘emis-
15 sions baseline’ means an estimate of greenhouse gas
16 emissions prepared under section 202(h)(3).

17 “(3) GREENHOUSE GAS.—The term ‘greenhouse
18 gas’ has the meaning given that term in section
19 211(o)(1) of the Clean Air Act (42 U.S.C.
20 7545(o)(1)).

21 “(4) GREENHOUSE GAS-RELATED PROVISION.—
22 The term ‘greenhouse gas-related provision’ means a
23 provision that meets any of the following conditions:

24 “(A) Creates, raises, or lowers a tax or tax
25 credit on any aspect of fuel production or

1 usage, power production or usage, the emission
2 or capture of a greenhouse gas, or a technology
3 or a direct alternative to a technology that uses
4 fuel.

5 “(B) Otherwise assigns a dollar value to
6 the emission of a greenhouse gas or to the sale
7 or use of a product whose combustion or leak-
8 age leads to an emission of a greenhouse gas.

9 “(C) Sets a performance standard or cap
10 based on—

11 “(i) the emission of a greenhouse gas;

12 or

13 “(ii) the use of a product—

14 “(I) that directly emits green-
15 house gases; or

16 “(II) whose combustion, leakage,
17 or degradation leads to an emission of
18 a greenhouse gas.

19 “(5) RELEVANT COMMITTEES.—The term ‘rel-
20 evant committees’ means the Committee on the
21 Budget of the Senate, the Committee on the Budget
22 of the House of Representatives, the committee of
23 the Senate with jurisdiction of the relevant bill or
24 joint resolution, and the committee of the House of

1 Representatives with primary jurisdiction of the rel-
2 evant bill or joint resolution.

3 “(6) SIGNIFICANT BUDGETARY EFFECT.—The
4 term ‘significant budgetary effect’, with respect to a
5 bill or joint resolution, means that the Director esti-
6 mates the bill or joint resolution will increase or de-
7 crease annual outlays or revenues by not less than
8 \$500,000,000 in any fiscal year covered by the most
9 recent baseline under section 257.

10 “(7) SOCIAL COST OF A GREENHOUSE GAS.—
11 The term ‘social cost of a greenhouse gas’ means the
12 monetary value of the net harm to society from
13 emitting a metric ton of a greenhouse gas into the
14 atmosphere in a given year, as determined by the
15 Director based on the best and most recent science
16 that, for carbon dioxide, methane, and nitrous oxide,
17 is not less than the amounts listed for those gases
18 using a near-term Ramsey discount rate of 2 percent
19 in the report of the Environmental Protection Agen-
20 cy entitled ‘Report on the Social Cost of Greenhouse
21 Gases: Estimates Incorporating Recent Scientific
22 Advances’, dated November 2023.

23 “(b) ESTIMATES.—

24 “(1) IN GENERAL.—To the extent practicable,
25 the Director shall prepare and submit to the rel-

1 evant committees a greenhouse gas emissions esti-
2 mate with respect to any bill or joint resolution or-
3 dered reported by a committee of the Senate or the
4 House of Representatives—

5 “(A) that—

6 “(i) would have a significant budg-
7 etary effect; and

8 “(ii) contains 1 or more greenhouse
9 gas-related provisions; or

10 “(B) for which the Director previously esti-
11 mated the effects of the greenhouse gas-related
12 provisions of the bill or joint resolution.

13 “(2) CONTENTS.—A greenhouse gas emissions
14 estimate under paragraph (1) with respect to a bill
15 or joint resolution shall—

16 “(A) provide an estimate of the effects of
17 each greenhouse gas-related provision in the bill
18 or joint resolution on greenhouse gas emissions
19 with respect to the year during which the green-
20 house gas-related provision takes effect and
21 each fiscal year covered by the most recent
22 emissions baseline, including an estimate of the
23 change in greenhouse gas emissions relative to
24 the most recent emissions baseline;

1 “(B) provide an estimate of the climate-re-
2 lated costs or savings of each greenhouse gas-
3 related provision in the bill or joint resolution,
4 which shall be calculated as the sum of the
5 products obtained by multiplying the change in
6 the emission of each greenhouse gas relative to
7 the most recent emissions baseline, as described
8 in subparagraph (A), by the social cost of the
9 greenhouse gas during the year of the change;

10 “(C) include commentary on the expected
11 effects of the greenhouse gas-related provisions
12 on greenhouse gas emissions after the end of
13 the period described in subparagraph (A); and

14 “(D) include commentary, to the extent
15 practicable, on the effects of the greenhouse
16 gas-related provisions on global greenhouse gas
17 emissions.

18 “(3) INCLUSION IN REPORT.—If the Director
19 timely submits to a committee of the Senate or the
20 House of Representatives estimates and commentary
21 under this subsection with respect to a bill or joint
22 resolution containing 1 or more greenhouse gas-re-
23 lated provisions, the committee shall include the esti-
24 mates and commentary in the report accompanying

1 the bill or joint resolution, if the committee submits
2 such a report.

3 “(4) ESTIMATES REGARDING OTHER LEGISLA-
4 TIVE PROVISIONS.—To the extent practicable, upon
5 a request by the Chairman of the Committee on the
6 Budget of the Senate or the Committee on the
7 Budget of the House of Representatives, the Direc-
8 tor shall publish a greenhouse gas emissions esti-
9 mate in accordance with this subsection with respect
10 to any legislative provision.

11 “(5) ESTIMATES WHILE DEVELOPING MOD-
12 ELS.—If the Director determines that a reported bill
13 or joint resolution for which a report is required
14 under paragraph (1) contains 1 or more greenhouse
15 gas-related provisions that primarily affect the
16 greenhouse gas emissions of a sector for which the
17 Director has not yet developed an economic model
18 under section 202(h)(2), the Director shall—

19 “(A) omit those greenhouse gas-related
20 provisions from the greenhouse gas emissions
21 estimate of the Director;

22 “(B) indicate in the greenhouse gas emis-
23 sions estimate that the Director made that de-
24 termination; and

1 “(C) include in the greenhouse gas emis-
2 sions estimate the reasons for that determina-
3 tion.

4 “(c) MANDATORY APPROPRIATION.—In addition to
5 amounts otherwise made available to the Director, there
6 are appropriated for each of fiscal years 2025 through
7 2034 to the Director, out of any money in the Treasury
8 not otherwise appropriated, \$20,000,000 to carry out this
9 section and section 202(h). Amounts appropriated under
10 this subsection shall remain available until expended.”.

11 (2) CONFORMING AMENDMENT.—The table of
12 contents in section 1(b) of the Congressional Budget
13 and Impoundment Control Act of 1974 is amended
14 by inserting after the item relating to section 402
15 the following:

“Sec. 402A. Emissions estimates by Congressional Budget Office.”.

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