

110TH CONGRESS }
2d Session

HOUSE OF REPRESENTATIVES

{ REPORT
110-658

RENEWABLE ENERGY AND JOB CREATION
ACT OF 2008

R E P O R T

TOGETHER WITH

ADDITIONAL AND DISSENTING VIEWS

TO ACCOMPANY

H.R. 6049



MAY 20, 2008.—Committed to the Committee of the Whole House of the
State of the Union and ordered to be printed

Spending subject to appropriation

Transportation Fringe Benefits. The bill would expand the use of transportation fringe benefits for federal employees to include bicycle commuters. The provision would allow up to \$20 per month for repair expenses, equipment costs, and storage costs for employees who regularly use a bicycle for commuting purposes. Based on information from the U.S. Census Bureau, CBO estimates that about 11,000 federal employees currently commute to work via bicycle. Assuming appropriation of the necessary amounts, CBO estimates that implementing this provision would cost \$2 million in 2009 and \$14 million over the 2009–2013 period.

Reports. H.R. 6049 would require two reports to the Congress by the National Academy of Sciences. One would evaluate the tax provisions in the Internal Revenue Code that affect carbon and greenhouse gas emissions, while the other would concern biofuels, including their present status and future potential. Based on the costs of similar studies and assuming appropriation of the specified and necessary amounts, CBO estimates that those studies would cost \$2 million over the 2008–2012 period.

Intergovernmental and private-sector impact: CBO and JCT have reviewed the bill and determined that it contains no intergovernmental mandates as defined in UMRA. CBO has reviewed the nontax provisions of the bill and determined that they contain no private-sector mandates as defined in UMRA. JCT has determined that the tax provisions of the bill contain three private-sector mandates as defined in UMRA. The bill would extend the excise tax on coal at its current rates, adjust the rules for taxation of deferred compensation, and delay the implementation of worldwide interest allocation rules. JCT estimates the costs required to comply with the mandates would exceed the annual threshold established by UMRA (\$136 million in 2008, adjusted annually for inflation) in each of the next 10 years.

Estimate prepared by: Federal Revenues: Zachary Epstein and Shinobu Suzuki; Federal Spending: Matthew Pickford and Dwayne Wright; Impact on State, Local, and Tribal Governments: Elizabeth Cove; Impact on the Private Sector: Amy Petz.

Estimate approved by: G. Thomas Woodward, Assistant Director for Tax Analysis; Peter H. Fontaine, Assistant Director for Budget Analysis.

D. **MACROECONOMIC IMPACT ANALYSIS**

In compliance with clause 3(h)(2) of rule XIII of the Rules of the House of Representatives, the following statement is made by the Joint Committee on Taxation with respect to the provisions of the bill amending the Internal Revenue Code of 1986: The temporary nature and limited scope of the tax reductions in this bill limit the amount of probable change in economic behavior that could be expected. The revenue raising provisions affect primarily repatriation or timing of on-shore realization of certain specialized sources of income, which is accounted for in the conventional estimate. Therefore, the effects of the bill on economic activity are so small as to be incalculable within the context of a model of the aggregate economy.