

H.R. 4469, No Fuel Credits for Batteries Act of 2023

As reported by the House Committee on Energy and Commerce on September 1, 2023

| By Fiscal Year, Millions of Dollars | 2024 | 2024-2028 | 2024-2033 |
|--|------|---|-----------|
| Direct Spending (Outlays) | 0 | 0 | 0 |
| Revenues | 0 | 0 | 0 |
| Increase or Decrease (-) in the Deficit | 0 | 0 | 0 |
| Spending Subject to Appropriation (Outlays) | 0 | 0 | 0 |
| Increases <i>net direct spending</i> in any of the four consecutive 10-year periods beginning in 2034? | No | Statutory pay-as-you-go procedures apply? | No |
| | | Mandate Effects | |
| Increases <i>on-budget deficits</i> in any of the four consecutive 10-year periods beginning in 2034? | No | Contains intergovernmental mandate? | No |
| | | Contains private-sector mandate? | No |

H.R. 4469 would prohibit the Environmental Protection Agency (EPA) from allowing tradeable credits for electricity produced from renewable sources to count for renewable fuel standards.

Under current law, EPA regulates compliance with its Renewable Fuel Standard using a system of tradable credits, known as renewable identification numbers (RINs). Those credits are created when renewable fuel is produced. Once that renewable fuel is blended with gasoline or diesel, RINs are used to identify how much renewable fuel has been used in products sold by an importer or refiner. Because RINs are tradable, importers and refiners that have an insufficient number of RINs can obtain them by trading with others.

In December 2022, EPA issued a proposed rule to update the Renewable Fuel Standard that would allow electric-vehicle manufacturers to generate RINs for light-duty vehicles if they contracted to procure electricity from qualifying renewable-electricity producers. The final rule, issued in July 2023, did not include that policy.¹ Because the final rule does not allow

1. See “Renewable Fuel Standard (RFS) Program: Standards for 2023-2025 and Other Changes,” 87 Fed. Reg. 80582 (December 30, 2022), <https://tinyurl.com/ycx3y5z3>; and “Renewable Fuel Standard (RFS) Program: Standards for 2023-2025 and Other Changes,” 88 Fed. Reg. 44468 (July 12, 2023), <https://tinyurl.com/hjzanpu4>.



those credits to be created from the production of renewable electricity, CBO estimates that enacting the bill would have no effect on the federal budget.

The CBO staff contact for this estimate is Aurora Swanson. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

A handwritten signature in black ink, appearing to read "Phillip L. Swagel". The signature is fluid and cursive, with a long, sweeping tail that extends to the right.

Phillip L. Swagel
Director, Congressional Budget Office