



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

October 6, 2004

H.R. 3242 **Specialty Crops Competitiveness Act of 2004**

As ordered reported by the House Committee on Agriculture on September 30, 2004

SUMMARY

H.R. 3242 would authorize the appropriation of \$45 million a year over the 2005-2009 period to make grants to states to enhance the competitiveness of specialty crops (including fruits, vegetables, tree nuts, dried fruits, and nursery products). The bill also would authorize the appropriation of \$2 million a year to provide technical assistance for growers of those crops, and \$5 million a year to research certain pesticides over the 2005-2009 period. H.R. 3242 also would authorize the appropriation of \$2.5 million a year over this period to respond to threats posed by pests and diseases affecting agricultural commodities, and to maintain a crop inspection center in Virginia. In addition, CBO estimates implementing the bill would cost \$10 million a year to establish a federal research program for specialty crops, subject to appropriation of the necessary amounts.

Assuming appropriation of the amounts specifically authorized by the bill and estimated to be necessary, CBO estimates that implementing H.R. 3242 would cost \$60 million in fiscal year 2005 and \$320 million over the 2005-2009 period. Enacting this legislation would not affect revenues or direct spending.

H.R. 3242 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments. The grant funds authorized by this bill would benefit state governments, and any costs they might incur to comply with the conditions of this assistance would be incurred voluntarily.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 3242 is shown in the following table. The costs of this legislation fall within budget function 350 (agriculture). The estimated cost of the speciality crop research program that would be authorized by the bill is based on the size of similar research conducted by the Department of Agriculture.

	By Fiscal Year, in Millions of Dollars				
	2005	2006	2007	2008	2009
CHANGES IN SPENDING SUBJECT TO APPROPRIATION					
Specified Authorization Level	55	55	55	55	55
Estimated Outlays	55	55	55	55	55
Estimated Authorization Level	10	10	10	10	10
Estimated Outlays	5	10	10	10	10
Total Changes					
Estimated Authorization Level	65	65	65	65	65
Estimated Outlays	60	65	65	65	65

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

H.R. 3242 contains no intergovernmental or private-sector mandates as defined in UMRA and would impose no costs on state, local, or tribal governments. The grant funds authorized by this bill would benefit state governments, and any costs they might incur to comply with the conditions of this assistance would be incurred voluntarily.

ESTIMATE PREPARED BY:

Federal Costs: Jim Langley

Impact on State, Local, and Tribal Governments: Marjorie Miller

Impact on the Private Sector: Amina Masood

ESTIMATE APPROVED BY:

Peter H. Fontaine

Deputy Assistant Director for Budget Analysis