



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 29, 2007

S. 311

A bill to amend the Horse Protection Act to prohibit the shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donation of horses and other equines to be slaughtered for human consumption

As ordered reported by the Senate Committee on Commerce, Science, and Transportation on April 25, 2007

SUMMARY

S. 311 would amend provisions of the Horse Protection Act of 1970 related to the slaughter of certain equines for human consumption. The bill would authorize the Secretary of Agriculture to detain and examine, test, or taking evidence from any equine if the Secretary has probable cause to believe that the equine may be slaughtered for human consumption. The bill would authorize the appropriations of \$5 million per year for those purposes. Enacting S. 311 would not affect direct spending or revenues.

S. 311 would impose a private-sector and an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). It would amend the Horse Protection Act to prohibit shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donating a horse or other equine to be slaughtered for human consumption. CBO expects that the cost of the mandate would fall below the thresholds established by UMRA for private-sector and intergovernmental mandates (\$131 million and \$66 million, respectively, in 2007, adjusted annually for inflation).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 311 is shown in the following table. The costs of this legislation fall within budget function 350 (agriculture). Assuming appropriation of the authorized amounts, CBO estimates that implementing S. 311 would cost the federal government \$4 million in fiscal year 2008 and \$24 million over the 2008-2012 period.

| | By Fiscal Year, in Millions of Dollars | | | | |
|---|--|------|------|------|------|
| | 2008 | 2009 | 2010 | 2011 | 2012 |
| CHANGES IN SPENDING SUBJECT TO APPROPRIATION | | | | | |
| Estimated Authorization Level | 5 | 5 | 5 | 5 | 5 |
| Estimated Outlays | 4 | 5 | 5 | 5 | 5 |

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

By prohibiting shipping, transporting, moving, delivering, receiving, possessing, purchasing, selling, or donating a horse or other equine to be slaughtered for human consumption, S. 311 would impose a private-sector and an intergovernmental mandate as defined in UMRA. The cost of the mandate to the private sector would be the loss of income to entities involved in the horse slaughter industry and the cost to horse owners to dispose of horses that otherwise would have been slaughtered for human consumption. Based on information from USDA, CBO expects that those costs would fall below the annual threshold established by UMRA for private-sector mandates (\$131 million in 2007, adjusted annually for inflation).

This mandate also would affect state, local, and tribal governments to the extent that they would be responsible for unwanted horses that otherwise would have been sold contrary to this prohibition. Because most unwanted horses remain in the hands of private individuals or organizations, CBO estimates that this cost would not be large, and would be well below the threshold established in UMRA for intergovernmental mandates (\$66 million in 2007, adjusted annually for inflation).

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