



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

May 9, 2014

**S. 1406
Prevent All Soring Tactics Act of 2014**

*As ordered reported by the Senate Committee on Commerce, Science, and Transportation
on April 10, 2014*

S. 1406 would amend the Horse Protection Act of 1970 (HPA) to strengthen and expand enforcement of current prohibitions on soring horses. Soring refers to the practice of applying a substance or device to a horse's limb to cause the horse pain when moving. Although prohibited, the practice helps to achieve the high stepping gait desired for Tennessee Walking Horses and other similar breeds. Under current law, inspectors from the U.S. Department of Agriculture (USDA) are sent to some large horse shows, but the private managers of each event where such horses compete usually hire their own inspectors to detect soring and other violations of the HPA.

S. 1406 would require USDA to license, train, assign, and oversee private inspectors qualified to independently detect and diagnose a horse that has been subjected to soring and to inspect horses at horse shows, exhibitions, sales, or auctions, for purposes of enforcing HPA regulations. Those independent inspectors would not be USDA employees and would continue to be paid by the private managers of each event. The bill also would prohibit the use of any device placed on a horse's limb to artificially alter its gait (known as an action device). In addition, S. 1406 would increase maximum fines and prison terms for each violation of HPA. Upon any third or subsequent violation, the Secretary of Agriculture could permanently disqualify a person from having any part in future horse shows, exhibitions, sales, or auctions. Finally, the bill would impose a fine on event managers who refuse to pay the USDA licensed horse inspectors.

Based on information from the Animal and Plant Health Inspection Service (APHIS), CBO estimates that implementing S. 1406 would cost about \$1 million per year over the 2015-2019 period, assuming appropriation of the necessary amounts, for licensing, training, assigning, and monitoring independent inspectors. In 2014, APHIS spent about \$700,000 for HPA enforcement.

Enacting S. 1406 would not affect direct spending. The bill could increase revenues from penalties; therefore, pay-as-you-go procedures apply. However, CBO estimates that any additional revenues from those penalties would probably be negligible.

S. 1406 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA).

The bill would impose a private-sector mandate, as defined in UMRA, on some owners of horses by expanding the prohibition on soring horses. The cost of the mandate would be the net income forgone because of that expansion. Based on information from USDA reports and industry sources, CBO estimates that the cost of the mandate would fall below the annual threshold established in UMRA (\$152 million in 2014, adjusted annually for inflation).