



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 20, 2010

### **S. 3568** **Citrus Disease Research and Development Trust Fund Act of 2010**

*As introduced in the Senate on July 12, 2010*

#### **SUMMARY**

S. 3568 would establish a trust fund to support scientific research, technical assistance, and other activities to combat citrus diseases in the United States. Amounts deposited in the fund would come from certain tariff revenues collected under current law. The bill also would create the Citrus Research and Development Board to establish a research program and otherwise promote the purposes of the bill. CBO estimates that enacting the bill would increase direct spending by \$94 million over the 2011-2015 period and by \$132 million over the 2011-2020 period.<sup>1</sup>

Because enacting S. 3568 would affect direct spending, pay-as-you-go procedures apply to the legislation. Enacting S. 3568 would not affect revenues.

S. 3568 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

#### **ESTIMATED COST TO THE FEDERAL GOVERNMENT**

The estimated budgetary impact of S. 3568 is shown in the following table. The costs of this legislation fall within budget function 350 (agriculture).

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1. Different time periods apply for the current pay-as-you-go rules in the Senate. Enacting the bill would increase direct spending by \$68 million over the 2010-2014 period and would increase direct spending by \$132 million over the 2010-2019 period.

	By Fiscal Year, in Millions of Dollars											2011-	2011-
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2015	2020	
<b>CHANGES IN DIRECT SPENDING</b>													
Estimated Budget Authority	23	24	25	26	27	7	0	0	0	0	125	132	
Estimated Outlays	5	14	24	25	26	22	13	3	0	0	94	132	

## **BASIS OF ESTIMATE**

S. 3568 would require that revenues collected from tariffs on citrus imports be deposited into a new trust fund and would authorize those amounts to be spent without further appropriation to support scientific research, technical assistance, and other activities to combat citrus diseases and pests. Annual transfers to the trust fund would be the lesser of \$30 million, or one-third of annual revenues collected from tariffs on citrus imports. The bill also would establish a Citrus Research and Development Board, consisting of domestic producers of citrus. Under S. 3568, the Board would have authority to employ staff, develop research plans, implement contracts and agreements, and provide compensation to scientific experts and special committees. The Board also would be authorized to borrow funds for startup costs, and would be required to submit its budget for approval by the Secretary of Agriculture.

Assuming enactment in 2010, the trust fund would terminate on December 31, 2015. Outlays are estimated based on spending patterns for similar research efforts. Because amounts collected from citrus tariffs would be available to the board, CBO expects it would not use the borrowing authority provided under the bill.

## **PAY-AS-YOU-GO CONSIDERATIONS**

The Statutory Pay-As-You-Go Act of 2010 establishes budget reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table.

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**CBO Estimate of Pay-As-You-Go Effects for S. 3568, as introduced in the Senate on July 12, 2010**

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	By Fiscal Year, in Millions of Dollars												2010-	2010-
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2015	2020	
<b>NET INCREASE OR DECREASE (-) IN THE DEFICIT</b>														
Statutory Pay-As-You-Go Impact	0	5	14	24	25	26	22	13	3	0	0	94	132	

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**INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT**

S. 3568 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

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