

Protection Act (7 U.S.C. 8301–8317) assign to the Federal Government responsibility to prevent the introduction, spread, and establishment of plant pests, noxious weeds, and pests and diseases of livestock in the United States.<sup>1</sup> These Acts authorize the Secretary of Agriculture (Secretary) to regulate animals and plants, their products, and other articles in foreign and interstate commerce; to hold, treat, and destroy such articles; and to cooperate with various entities, including State and local governments and industry groups (cooperators), to carry out programs to detect, control, and eradicate pests and diseases. These Acts also provide the Secretary additional regulatory and funding authority, including the payment of compensation, in cases of pest and disease emergencies.

The occurrence of pests or diseases that are either foreign to or not widely prevalent in the United States poses a serious threat to the health and economic viability of U.S. animal and plant resources. These outbreaks are generally easier and less costly to control and eradicate if action is taken immediately following detection. The Animal and Plant Health Inspection Service (APHIS) of the U.S. Department of Agriculture (USDA) provides national leadership in implementing the Secretary’s authorities, including emergency authorities, to detect, control, and eradicate invasive pests and diseases. APHIS frequently

conducts these emergency programs in conjunction with affected States and other cooperators.

*Emergency Program Costs; Recent Trends; Constraints on Federal Resources*

The cost of activities carried out under emergency program authorities to detect, control, and eradicate pests and diseases generally has been shared by APHIS and the State(s). These cost-sharing arrangements may also include industries, organizations, and groups that benefit from or are affected by these animal and plant protection activities. The allocation of emergency program costs among APHIS and other cooperators has varied depending upon the particular pest or disease, as well as other factors, such as the location of the outbreak or occurrence. For example, cooperative programs for eradicating fruit flies have historically operated on an equal cost-sharing basis with the affected States. In the recent outbreak of plum pox virus, a new pest in the United States, the State of Pennsylvania assumed a significant portion of the financial obligation for the operational program within the State, while APHIS contributed to the financing of activities to guard against the spread of the pest to other stone fruit producing States. However, in the case of Asian longhorned beetle (ALB), APHIS has assumed most of the cost of the operational program.

A close examination of these programs reveals that cost allocations have been implicitly based on at least three factors: The size of the outbreak area, the area at risk beyond the initial outbreak, and the nature of the pest. APHIS’ actions to eradicate the plum pox virus and ALB outbreaks were based on the technical feasibility in carrying out each action (presented by the small size of the initial outbreak areas) and the risk of spread to nonaffected areas in the absence of early and rapid response by the Federal Government. The Federal share of costs for both pest outbreaks has been greater than the cooperators’ share as the resources at risk in the nonaffected areas were much larger than those in the affected areas. The nature of the pest is an additional factor taken into consideration in determining the Federal cost share level in an emergency program. As a proportion of the total cost, the Federal share of the plum pox control program is smaller than the Federal share of the ALB emergency program. This reflects the greater responsibility of the Federal Government in safeguarding public resources as the pest in the ALB case largely affects non-commercial, urban trees and forests.

In recent years, the number of infestations, as well as the average and total cost of eradication programs to the Federal Government have increased significantly, as the following Table 1 illustrates:

TABLE 1.—EMERGENCY FUNDING TRANSFERRED FROM THE COMMODITY CREDIT CORPORATION

|   | FY 1981–86 | FY 1987–92 | FY 1993–98 | FY 1999–2003 |
|---|------------|------------|------------|--------------|
| Total funding (\$ in millions) .....                | 41         | 66         | 136        | 1,234        |
| Average annual funding (\$ in millions) .....       | 7          | 11         | 23         | 264          |
| No. of pest infestations .....                      | 3          | 4          | 4          | 19           |
| No. of times annual funding for an infestation was: |            |            |            |              |
| \$10 million or more .....                          | 1          | 1          | 5          | 27           |
| \$25 million or more .....                          | 0          | 1          | 0          | 14           |
| \$50 million or more .....                          | 0          | 0          | 0          | 7            |

We believe that a better defined, more consistent approach to cost sharing and the allocation of financial responsibility among the Federal Government, State(s), and other cooperators would improve planning and funding decisions in emergency programs. In response to this need, and as explained in greater detail below, we are proposing that predetermined cost-sharing percentages apply to certain emergency program activities.

*Emergency Program Activities Subject to Cost-Sharing*

There are a number of activities conducted as part of an emergency program, beginning with the detection of the pest or disease, that we believe should be subject to a predetermined cost-sharing arrangement. These would include such activities as:

- Delimiting surveys and diagnostics.
- Control or eradication operations (e.g., chemical, biological, and/or

mechanical treatment regimens, including animal, plant, and product destruction and/or disposal).

- Research and methods development specific to outbreaks, if such activities are anticipated to rapidly contribute to the success of the control or eradication operations.
- Public information activities specific to outbreaks and designed to contribute to the success of the control or eradication operations.

<sup>1</sup> The Plant Protection Act and the Animal Health Protection Act give specific meaning to the terms “plant pest” and “noxious weed,” and “pest” and

“disease” of “livestock.” In this Supplementary Information, we frequently use the term “pests and

diseases” or “pests or diseases” to encompass the terms found in the Acts.