

New UC Davis Economic Impact Results for Ventura under DPR's Fumigant VOC Rules

- Scenario 1: growers apply about 60% of current rate on each acre
- Producers & consumers lose from \$16 million to \$63
- From 160 to 680 acres go out of production.

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- Scenario 2: growers apply full rate on about 60% of acres, leaving the balance unfumigated
- Consumers & producers lose from \$66 million to \$133

From 230 to 1,200 acres go out of production.

UC Davis Economic Impact Model

- Includes price, input cost and yield data for 19 crops
- Ventura is one of 22 production regions
- Calibrated to average production, prices and yields for 1999 - 2003
- Assumes growers max profits given available technology, resource limits (energy, land, water), and prices
- consumers/producers facing a new regulation Determines new cropping pattern plus direct impacts on
- Model doesn't predict the future; rather, projects impact of regulatory change assuming everything else stays the same
- A policy decision should never rely solely on the results of an economic model