



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 25, 2009

S. 256

Combat Methamphetamine Enhancement Act of 2009

As ordered reported by the Senate Committee on the Judiciary on March 5, 2009

S. 256 would require retail businesses that sell certain pharmaceuticals through the mail to submit a self-certification document to the Drug Enforcement Administration (DEA). The bill also would prohibit distributors of certain pharmaceuticals from selling products to persons who have not registered or self-certified with DEA. Based on information from the DEA, CBO estimates that implementing the bill would have no significant cost to the federal government.

Violators of the bill's provisions would be subject to civil and criminal fines. Civil fines are recorded as revenues and deposited in the U.S. Treasury. Criminal fines are recorded as revenues, then deposited in the Crime Victims Fund, and later spent. Thus, enacting S. 256 could increase revenues and direct spending, but CBO estimates that any such impact would not be significant in any year.

S. 256 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

S. 256 would impose private-sector mandates as defined in UMRA on distributors and retailers of certain pharmaceuticals. Distributors and retailers who sell such products by mail would be required to submit self-certifications documents, including a statement acknowledging that they understand the law and will comply with the legal guidelines associated with the sale of those drugs. The bill also would prohibit anyone from supplying those products to a retailer unless the retailer has completed either the necessary self-certification or has otherwise registered with the DEA. Because the self-certification list is available online and based on information from the DEA about

compliance costs for the current self-certification program, CBO estimates that the cost to the private sector would be small and well below the annual threshold established in UMRA (\$139 million for private-sector mandates in 2009, adjusted annually for inflation).

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs) and Marin Randall (for the private-sector impact). The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.