



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 1, 2009

H.R. 3245 **Fairness in Cocaine Sentencing Act of 2009**

As ordered reported by the House Committee on the Judiciary on July 29, 2009

CBO estimates that implementing H.R. 3245 would lead to reduced spending by the federal prison system of \$3 million over the 2010-2014 period. Enacting the bill could affect direct spending and revenues, but CBO estimates that any such effects would not be significant.

H.R. 3245 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

Under current law, persons convicted of offenses involving crack cocaine or powder cocaine are subject to mandatory minimum prison sentences, but the drug quantity necessary to trigger the minimum sentence is lower for crack cocaine. H.R. 3245 would eliminate this disparity and provide equal punishment for all cocaine offenses. In doing so, the bill would decrease prison sentences and potential fines for crack cocaine offenders.

The U.S. Sentencing Commission analyzed the bill's impact on the federal prison population. Based on this analysis, CBO estimates that the shorter sentences required under the bill would decrease the prison population by about 250 person-years over the 2010-2014 period. According to the Bureau of Prisons, a decrease in the federal prison population of this magnitude would save about \$10,000 a year for each prisoner. CBO estimates that the savings from implementing H.R. 3245 would total \$3 million over the 2010-2014 period.

Because those prosecuted and convicted for offenses involving cocaine could be subject to criminal fines, the federal government might collect smaller fines if H.R. 3245 is enacted. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent. CBO estimates that any such effects would have negligible net costs over the 2009-2014 and 2009-2019 periods.

The CBO staff contact for this estimate is Mark Grabowicz. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.