



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

August 4, 2010

### **H.R. 2923**

### **Combat Methamphetamine Enhancement Act of 2009**

*As ordered reported by the House Committee on Energy and Commerce on July 28, 2010*

H.R. 2923 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. Because, enacting H.R. 2923 could increase revenues and direct spending, pay-as-you-go procedures apply. However, CBO estimates that any net budget impact would not be significant in any year.

H.R. 2923 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.

H.R. 2923 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-certification 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 current self-certification list is available online and based on information from the DEA about compliance costs for that program, CBO estimates that the cost to the private sector would be small and well below the annual threshold established in UMRA (\$141 million for private-sector mandates in 2010, adjusted annually for inflation).

On March 25, 2009, CBO transmitted a cost estimate for S. 256, the Combat Methamphetamine Enhancement Act of 2009, as ordered reported by the Senate Committee on the Judiciary on March 5, 2009. The two pieces of legislation are identical, as are the cost estimates.

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.