



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 5, 2006

S. 2560

A bill to reauthorize the Office of National Drug Control Policy Act

As reported by the Senate Committee on the Judiciary on May 25, 2006

SUMMARY

S. 2560 would reauthorize operations of the Office of National Drug Control Policy (ONDCP) and programs administered by that office through 2010 and other specific programs through 2011. Major programs administered by that office include the High-Intensity Drug Trafficking Areas program, the National Youth Anti-Drug Media Campaign, and the Counterdrug Technology Assessment Center.

Assuming appropriation of the necessary amounts, CBO estimates that implementing S. 2560 would cost about \$3 billion over the 2007-2011 period. Of this total, about \$2 billion would result from amounts specifically authorized for the National Youth Anti-Drug Media Campaign and High-Intensity Drug Trafficking Areas.

By extending ONDCP's authority to accept and spend gifts, enacting S. 2560 could affect direct spending and revenues, but CBO estimates that any such impact would be negligible.

S. 2560 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA); any costs incurred by state, local, or tribal entities would result from participating in a voluntary federal program.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of S. 2560 is shown in the following table. The costs of this legislation fall within budget functions 050 (defense), 750 (administration of justice), and 800 (general government).

By Fiscal Year, in Millions of Dollars

	2006	2007	2008	2009	2010	2011
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SPENDING SUBJECT TO APPROPRIATION

Spending Under Current Law for ONDCP						
Budget Authority ^a	477	0	0	0	0	0
Estimated Outlays	484	196	36	11	0	0
Proposed Changes:						
High-Intensity Drug Trafficking Areas						
Authorization Level	0	280	290	290	300	300
Estimated Outlays	0	70	241	275	292	299
National Youth Anti-Drug Media Campaign						
Authorization Level	0	195	195	195	195	0
Estimated Outlays	0	176	195	195	195	20
Other Federal Drug Control Programs						
Authorization Level	0	122	131	142	152	163
Estimated Outlays	0	110	130	141	151	161
National Guard Counterdrug Schools ^b						
Authorization Level	0	30	30	30	30	0
Estimated Outlays	0	22	28	29	30	7
Counterdrug Technology Assessment Center						
Estimated Authorization Level	0	31	31	32	32	0
Estimated Outlays	0	29	31	32	32	2
Office of National Drug Control Policy						
Estimated Authorization Level	0	28	29	30	30	0
Estimated Outlays	0	24	28	30	30	5
Other Provisions						
Estimated Authorization Level	0	19	16	14	14	0
Estimated Outlays	0	17	16	14	14	1
Total Proposed Changes						
Estimated Authorization Level	0	705	722	732	753	463
Estimated Outlays	0	446	669	714	743	494
Total Spending Under S. 2560 for ONDCP						
Estimated Authorization Level ^a	477	705	722	732	753	463
Estimated Outlays	484	642	705	725	743	494

NOTES: Components may not sum to totals because of rounding.

a. The 2006 level is the amount appropriated for that year for programs administered by the Office of National Drug Control Policy.

b. This program, operated by the Department of Defense, received an appropriation of \$11 million in 2006.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the start of fiscal year 2007, that the necessary amounts will be provided each year, and that spending will follow historical patterns for the ONDCP and its programs.

Spending Subject to Appropriation

The bill would reauthorize all the programs of ONDCP through 2010; some specific programs would be authorized through 2011. The current authorization for ONDCP expired at the end of fiscal year 2003 (although the office received funding in 2004, 2005, and 2006). The legislation would specifically authorize the appropriation of \$3 billion over the next five years. In addition, section 601 would reauthorize all of the programs of the ONDCP through 2010. Based on information from ONDCP and historical spending patterns of the agency, CBO estimates that these continuing these functions would require appropriations of about \$300 million over the 2007-2011 period.

High-Intensity Drug Trafficking Areas. Section 301 would authorize the appropriation of \$280 million for 2007, \$290 million a year for 2008 and 2009, and \$300 million a year for 2010 and 2011 for the High-Intensity Drug Trafficking Areas program. This program coordinates drug-control efforts among local, state, and federal law enforcement agencies. Assuming appropriation of the specified amounts, CBO estimates that implementing this provision would cost \$70 million in fiscal year 2007 and \$1.1 billion over the 2007-2011 period.

National Youth Anti-Drug Media Campaign. Section 505 would authorize the appropriation of \$195 million annually over the 2007-2010 period for the National Youth Anti-Drug Media Campaign program. That program delivers anti-drug messages through mass communications to help prevent and reduce youth drug use. Assuming appropriations of the specified amounts, CBO estimates that implementing this provision would cost \$176 million in 2007 and about \$780 million over the 2007-2011 period.

Other Federal Drug Control Programs. S. 2560 would authorize specified appropriations of \$710 million over the 2007-2011 period for most other major federal drug-control programs, including the Drug-Free Communities program and the U.S. Anti-Doping Agency. Assuming appropriation of the specified amounts, CBO estimates that implementing these provisions would cost \$110 million in 2007 and about \$695 million over the 2007-2011 period.

National Guard Counterdrug Schools. Section 901 would authorize the appropriation of \$30 million dollars a year through 2010 to operate the National Guard Counterdrug Schools. Those schools provide training to federal, state, and local personnel in drug interdiction, counterdrug activities, and methods to reduce drug demand. In addition, those schools also provide training to community-based and private organizations engaged in programs to reduce drug demand. Assuming appropriation of the specified amounts, CBO estimates that implementing this provision would cost \$22 million in 2007 and \$109 million over 2007-2010 period.

Counterdrug Technology Assessment Center. The legislation would authorize the appropriation of such sums as necessary to operate the Counterdrug Assessment Center. The center coordinates counterdrug research and development activities for the federal government. Because the bill did not specify funding levels, CBO estimated the future cost of this provision by adjusting the center's 2006 funding level for anticipated inflation. On that basis, we estimate that operation of the center would cost \$29 million in 2007 and \$126 million over the 2007-2011 period.

Office of National Drug Control Policy. S. 2560 would authorize the appropriation of such sums as necessary for operation of the ONDCP. The office establishes policies, priorities, and objectives for federal drug-control programs. Assuming appropriation of the necessary amounts, CBO estimates that these activities would cost \$24 million in 2007 and \$115 million over the 2007-2011 period. This estimate assumes that future appropriations for the ONDCP would be equivalent to its 2006 funding level adjusted for anticipated inflation.

Other Provisions. S. 2560 would establish the National Methamphetamine Information Clearinghouse (NMIC) and the National Methamphetamine Advisory Council. The NMIC and the council would promote sharing information among law enforcement agencies concerning enforcement, treatment, and prevention programs relating to methamphetamine. The NMIC also would establish a toll-free telephone number and a Web site to carry out its responsibilities.

For each of fiscal years 2007 through 2010, the bill would authorize the appropriation of sums necessary to operate the NMIC and the council. Based on the costs of similar efforts, CBO estimates that it would cost about \$3 million in 2007 and about \$2 million a year over the 2008-2010 period to fund the activities of the NMIC and the council.

Section 103 would amend the responsibilities and authorities of the United States Interdiction Coordinator. Based within the ONDCP, the Interdiction Coordinator would be responsible for coordinating efforts to prevent drugs from entering the United States. Based on information from ONDCP and the Department of Homeland Security, CBO estimates that

increased staff and new reporting requirements necessary under the bill would cost \$2 million annually.

The legislation also includes other provisions related to the ONDCP. Major provisions include new reporting requirements for ONDCP related to foreign drug operations and the National Youth Anti-Drug Media Campaign. S. 2560 also would require a new performance measurement system as part of the National Drug Control Strategy and procedures for preparing budget requests. Based on information from ONDCP, CBO estimates that those provisions would cost about \$10 million annually.

In addition, S. 2560 would require other one-time reports and studies on intelligence sharing, South American heroin, and other drug issues. Based on information from ONDCP, CBO estimates that those provisions would cost \$4 million over the 2007-2008 period.

Revenues and Direct Spending

S. 2560 would continue ONDCP's authority to accept donations of real and personal property. Gifts are classified in the budget as revenues, and spending of such sums would constitute direct spending. According to ONDCP, it has not received any gifts in recent years and would not expect to receive any under the bill. Hence, CBO estimates that any additional revenues and direct spending under S. 2560 would be negligible.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

S. 2560 contains no intergovernmental or private-sector mandates as defined in UMRA. The bill would establish new requirements for existing programs administered by ONDCP. Any costs incurred by state, local, or tribal entities as a result of those provisions would result from participating in a voluntary federal program.

PREVIOUS CBO ESTIMATES

On March 3, 2006, CBO transmitted a cost estimate for H.R. 2829, a bill to reauthorize the Office of National Drug Control Policy Act, as ordered reported by the House Committee on the Judiciary on March 2, 2006. On March 2, 2006, CBO transmitted a cost estimate for H.R. 2829, as ordered reported by the House Committee on Energy and Commerce on February 16, 2006. On August 5, 2005, CBO transmitted a cost estimate for H.R. 2829, as ordered reported by the House Committee on Government Reform on June 16, 2005.

On July 7, 2005, CBO transmitted a cost estimate for H.R. 2565, a bill to reauthorize the Office of National Drug Control Policy Act and to establish minimum drug-testing standards for major professional sports leagues, as ordered reported by the House Committee on Government Reform on May 26, 2005.

S. 2560, H.R. 2829, and H.R. 2565 are similar; all three bills would reauthorize ONDCP and programs administered through that office. However, the three pieces of legislation would authorize different amounts and activities over different time periods. CBO's cost estimates for the three bills reflect those differences.

The version of H.R. 2829 that was ordered reported by the House Committee on Government Reform contains two intergovernmental mandates, as defined in UMRA, not contained in S. 2560: a preemption of state privacy laws and new authority for the Director of ONDCP to regulate public institutions of higher education. The mandates statements reflect those differences.

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