



**CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE**

September 12, 2011

**S. 1228
Combating Military Counterfeits Act of 2011**

As reported by the Senate Committee on the Judiciary on July 21, 2011

S. 1228 would increase the penalties for knowingly selling counterfeit military goods that could result in the release of classified information or endanger the lives of members of the armed forces. Based on information from the Department of Justice and the Department of Defense, CBO estimates that the legislation would affect a small number of cases and would have no significant impact on the federal budget. Because the bill could affect direct spending and revenues, pay-as-you-go procedures apply. However, CBO estimates that any net effects would be insignificant for each year.

Because those prosecuted and convicted under S. 1228 would be subject to increased criminal fines, the federal government might collect additional fines if the bill is enacted. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent. CBO expects that any additional revenues and direct spending would not be significant because of the small number of cases likely to be affected.

S. 1228 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.

The CBO staff contact for this estimate is Martin von Gnechten. The estimate was approved by Peter H. Fontaine, Assistant Director for Budget Analysis.