



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

September 30, 2016

### **H.R. 3537**

### **Dangerous Synthetic Drug Control Act of 2016**

*As ordered reported by the House Committee on Energy and Commerce  
on September 21, 2016*

CBO estimates that implementing H.R. 3537 would have no significant cost to the federal government. Enacting the bill could affect direct spending and revenues; therefore, pay-as-you-go procedures apply. However, CBO estimates that any effects would be insignificant. CBO estimates that enacting the legislation would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2027.

H.R. 3537 would expand the list of substances regulated under the Controlled Substances Act (title II of Public Law 91-513, the Comprehensive Drug Abuse Prevention and Control Act of 1970) to include cannabimimetic agents and other synthetic drugs. As a result, the government might be able to pursue cases involving drug use that it otherwise would not be able to prosecute. CBO expects that H.R. 3537 would apply to a relatively small number of additional offenders, however, so any increase in costs for law enforcement, court proceedings, or prison operations would not be significant. Any such costs would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 3537 could be subject to criminal fines, the federal government might collect additional fines if the legislation 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.

H.R. 3537 contains no intergovernmental mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would impose no costs on state, local, or tribal governments.

H.R. 3537 would impose a private-sector mandate, as defined in UMRA, on anyone that handles the chemical compounds that the bill would add to schedule I of the Controlled Substances Act. That act prohibits the unregistered possession of schedule I substances. Thus, the bill would require individuals and facilities that wish to handle those chemicals to register (or update their existing registration) with the Drug Enforcement Administration (DEA) and to comply with the regulatory controls that apply to schedule I substances.

Researchers investigating some of the synthetic compounds listed in the bill have already registered because the compounds have been temporarily placed under Schedule I by DEA. According to DEA, in 2015 about 400 active researchers were registered to conduct research with schedule I substances. CBO found only a small number of references to studies involving some of the compounds in the scientific and medical literature. Consequently, CBO expects that only a small number of researchers would be affected by the bill. Because the cost to obtain or update a registration would be relatively small, CBO estimates that the cost of the mandate would fall below the annual threshold established in UMRA for private-sector mandates (\$154 million, adjusted annually for inflation).

The CBO staff contact for this estimate is Mark Grabowicz (for federal costs) and Amy Petz (for private sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.