CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

September 20, 2017

H.R. 2851
Stop the Importation and Trafficking of Synthetic Analogues Act of 2017

As ordered reported by the House Committee on the Judiciary on July 12, 2017

H.R. 2851 would classify certain drugs, most of which include the pain medication fentanyl, as controlled substances. Individuals who wish to handle those substances, such as researchers or persons conducting chemical analyses, would have to register with the Drug Enforcement Administration (DEA) and pay a fee (usually a few hundred dollars per year, on average). Such fees are treated as reductions in direct spending and DEA is authorized to spend them without further appropriation to cover the cost of overseeing those who register. Based on information from the agency, CBO estimates that DEA would collect (and spend) less than $1 million per year from the additional fees; thus, the net budgetary effect would be negligible.

H.R. 2851 also would establish new federal crimes related to misuse of the controlled substances identified in the bill. As a result, the government might be able to pursue cases that it otherwise would not be able to prosecute. CBO expects that the bill would apply to a relatively small number of offenders, however, so any increase in costs for law enforcement, court proceedings, or prison operations would not be significant. Any such spending would be subject to the availability of appropriated funds.

Because those prosecuted and convicted under H.R. 2851 could be subject to criminal fines, the federal government might collect additional fines under the bill. Criminal fines are recorded as revenues, deposited in the Crime Victims Fund, and later spent without further appropriation action. CBO expects that any additional revenues and associated direct spending would not be significant because the legislation would probably affect only a small number of cases.

Because enacting the bill would affect direct spending and revenues pay-as-you-go procedures apply. However, we estimate that any such effects would be insignificant in any year.

CBO estimates that enacting H.R. 2851 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2028.

By expanding the list of drugs classified as controlled substances, H.R. 2851 would impose an intergovernmental and private-sector mandate as defined in the Unfunded Mandates Reform Act (UMRA). The bill would require individuals and facilities, including public research institutions, that wish to handle those drugs to register (or update their existing registration) with the DEA and comply with any regulatory controls. Based on information from DEA, CBO expects that the registration requirements would apply to hundreds of entities. CBO estimates that the cost to obtain or update a registration would be relatively small. Additionally, public institutions are exempt from the registration fee. Consequently, CBO estimates that the incremental cost of the mandate on public and private entities would be small and fall below the annual thresholds established in UMRA for intergovernmental and private-sector mandates ($78 million and $156 million in 2017, respectively, adjusted annually for inflation).

The CBO staff contacts for this estimate are Mark Grabowicz (for federal costs), Zach Byrum (for intergovernmental mandates), and Amy Petz (for private-sector mandates). The estimate was approved by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.