



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

August 14, 2018

S. 2789
Substance Abuse Prevention Act of 2018

As reported by the Senate Committee on the Judiciary on June 19, 2018

SUMMARY

S. 2789 would primarily reauthorize activities of the Office of National Drug Control Policy (ONDCP) through 2022. Major programs administered by the office include the High-Intensity Drug Trafficking Areas program, National Youth Anti-Drug Media Campaign, the Drug-Free Communities program, and the Drug Court Program. In addition, S. 2789 would authorize grants to states to combat substance abuse.

Assuming appropriation of the specified and necessary amounts, CBO estimates that implementing S. 2789 would cost about \$3.4 billion over the 2019-2023 period. Of that total, \$1.1 billion would be for the High-Intensity Drug Trafficking Areas program, about \$0.9 billion would be for the National Youth Anti-Drug Media Campaign, and \$0.5 billion would be for grants to supplement Medicaid reimbursements for professionals who provide treatment for substance use disorders.

Enacting the bill would affect direct spending because it would allow ONDCP to accept and spend monetary gifts; therefore, pay-as-you-go procedures apply. However, CBO estimates that the net effect on direct spending would be negligible. Enacting S. 2789 would not affect revenues.

CBO estimates that enacting S. 2789 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

S. 2789 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary effect of S. 2789 is shown in the following table. The costs of the legislation fall within budget functions 500 (education, training, employment, and social services), 550 (health), 600 (income security), 750 (administration of justice), and 800 (general government).

	By Fiscal Year, in Millions of Dollars						2019- 2023
	2018	2019	2020	2021	2022	2023	
INCREASES IN SPENDING SUBJECT TO APPROPRIATION							
High-Intensity Drug Trafficking Areas							
Authorization Level	280	280	280	280	280	0	1,120
Estimated Outlays	0	70	238	266	280	210	1,064
Youth Anti-Drug Media Campaign							
Estimated Authorization Level	0	230	230	230	230	0	920
Estimated Outlays	0	207	230	230	230	23	920
Reimbursement of Professionals Treating Substance Use Disorders							
Estimated Authorization Level	0	140	150	160	170	0	620
Estimated Outlays	0	30	90	140	160	130	550
Drug-Free Communities							
Authorization Level	99	99	99	99	99	0	396
Estimated Outlays	0	22	51	71	86	99	329
ONDCP							
Estimated Authorization Level	0	20	21	21	22	0	84
Estimated Outlays	0	16	20	21	22	4	83
Other ONDCP Programs							
Authorization Level	77	77	77	77	77	0	308
Estimated Outlays	0	69	77	77	77	8	308
Other Grant Programs							
Estimated Authorization Level	0	30	30	30	30	0	120
Estimated Outlays	0	15	26	30	30	15	116
Total Spending							
Estimated Authorization Level	456	876	887	897	908	0	3,568
Estimated Outlays	0	429	732	835	885	489	3,370

Components may not sum to totals because of rounding.

ONDCP = Office of National Drug Control Policy.

The bill would authorize the appropriation of \$456 million for 2018. CBO does not estimate any outlays for those authorizations because appropriations have already been provided for 2018.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the end of 2018 and that the authorized and necessary amounts will be provided each year beginning in 2019. Estimated outlays are based on historical spending patterns for ONDCP and its programs.

The bill would reauthorize ONDCP through 2022. Although the current authorization expired at the end of fiscal year 2011, the office and some related programs have continued to receive annual appropriations, including about \$415 million in 2018. CBO estimates that the legislation would authorize appropriations over the 2019-2022 period as follows:

- **High-Intensity Drug Trafficking Areas**—the bill would authorize the appropriation of \$280 million each year over the 2019-2022 period to coordinate drug control efforts among local, state, and federal law enforcement agencies. CBO estimates that implementing this provision would cost \$1.1 billion over the 2019-2023 period.
- **Youth Anti-Drug Media Campaign**—the bill would reauthorize the campaign at a cost of \$920 million over the 2019-2023 period, CBO estimates. That estimate was derived by increasing the program’s last authorization in 2011 to account for inflation.
- **Reimbursement of Professionals Treating Substance Use Disorders**—CBO estimates \$620 million would be needed for grants to states to supplement Medicaid reimbursement to such professionals. CBO estimates that implementing this provision would cost \$550 million over the 2019-2023 period.
- **Drug-Free Communities**—the bill would authorize the appropriation of \$99 million annually over the 2019-2022 period for grants to community coalitions with programs for reducing substance abuse among young people. CBO estimates that implementing this provision would cost \$329 million over the 2019-2023 period.
- **Office of National Drug Control Policy**—the bill would reauthorize the office, which received an appropriation of \$19 million in 2018. Assuming that future appropriations are similar, and accounting for anticipated inflation, CBO estimates that funding the office would cost \$83 million over the 2019-2022 period.
- **Other ONDCP Programs**—the bill would authorize the appropriation of \$75 million each year over the 2019-2022 period for the Drug Court and \$2 million annually for the National Community Anti-Drug Coalition Institute. CBO estimates implementing those provisions would cost \$308 million over the 2019-2023 period.

- Other grant programs—CBO estimates S. 2789 would authorize the appropriation of \$120 million for grant programs to support families in crisis, for sobriety treatment and recovery teams, and to protect children of addicted parents. CBO estimates that implementing those provisions would cost \$116 million over the 2019-2023 period.

PAY-AS-YOU-GO CONSIDERATIONS

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. S. 2789 would allow ONDCP to accept and retain gifts; therefore, pay-as-you-go procedures apply. CBO estimates, however, that any net changes in direct spending would be negligible. Enacting the bill would not affect revenues.

INCREASE IN LONG-TERM DIRECT SPENDING AND DEFICITS

CBO estimates that enacting S. 2789 would not increase net direct spending or on-budget deficits in any of the four consecutive 10-year periods beginning in 2029.

MANDATES

S. 2789 contains no intergovernmental or private-sector mandates as defined in UMRA.

PREVIOUS ESTIMATE

On June 15, 2018, CBO transmitted a cost estimate for H.R. 5925, the CRISIS Act, as ordered reported by the House Committee on Oversight and Government Reform on May 23, 2018, with a subsequent amendment provided to CBO on June 13, 2018. On June 8, 2018, CBO transmitted a cost estimate for H.R. 5925, as ordered reported by the House Committee on Oversight and Government Reform on May 23, 2018. All three pieces of legislation authorize activities of the ONDCP, but have different anti-drug provisions. Those difference are reflected in CBO's estimates of their costs.

ESTIMATE PREPARED BY

Federal Costs:

Reimbursement of Professionals Treating Substance Use Disorders—Emily King and
Lisa Ramirez-Branum
Other Grant Programs—Emily King and Susanne S. Mehlman
Drug Court—Mark Grabowicz
All other programs—Matthew Pickford

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