

114TH CONGRESS }
1st Session }

SENATE

{ REPORT
114-144 }

BREAST CANCER RESEARCH STAMP
REAUTHORIZATION ACT OF 2015

R E P O R T

OF THE

COMMITTEE ON HOMELAND SECURITY AND
GOVERNMENTAL AFFAIRS
UNITED STATES SENATE

TO ACCOMPANY

S. 1170

TO AMEND TITLE 39, UNITED STATES CODE, TO EXTEND THE
AUTHORITY OF THE UNITED STATES POSTAL SERVICE TO ISSUE
A SEMIPOSTAL TO RAISE FUNDS FOR BREAST CANCER
RESEARCH, AND FOR OTHER PURPOSES



SEPTEMBER 17, 2015.—Ordered to be printed

U.S. GOVERNMENT PUBLISHING OFFICE

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Calendar No. 233

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BREAST CANCER RESEARCH STAMP REAUTHORIZATION ACT OF 2015

SEPTEMBER 17, 2015.—Ordered to be printed

Mr. JOHNSON, from the Committee on Homeland Security and
Governmental Affairs, submitted the following

R E P O R T

[To accompany S. 1170]

The Committee on Homeland Security and Governmental Affairs, to which was referred the bill (S. 1170) to amend title 39, United States Code, to extend the authority of the United States Postal Service to issue a semipostal to raise funds for breast cancer research, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

CONTENTS

	Page
I. Purpose and Summary	1
II. Background and Need for the Legislation	2
III. Legislative History	3
IV. Section-by-Section Analysis	3
V. Evaluation of Regulatory Impact	3
VI. Congressional Budget Office Cost Estimate	4
VII. Changes in Existing Law Made by the Bill, as Reported	5

I. PURPOSE AND SUMMARY

S. 1170, the Breast Cancer Research Reauthorization Act of 2015, extends the Stamp Out Breast Cancer Act, passed in 1997. The Stamp Out Breast Cancer Act authorized a special first-class mail postage stamp to raise funds for breast cancer research efforts. Under the program, purchasers pay a surcharge of not less than 15 percent above the regular rate for a stamp. The United States Postal Service (the Postal Service) remits the extra funds (minus the cost of running the program) for breast cancer research. The authorities under the Stamp Out Breast Cancer Act are set to

expire on December 31, 2015; S. 1170 would extend them through December 31, 2019.

II. BACKGROUND AND THE NEED FOR LEGISLATION

Breast cancer is the second most common cancer among women (after skin cancer) and kills more women than any cancer other than that of the lung.¹ One in eight women in the United States will develop breast cancer over the course of their lifetime.² The National Cancer Institute (NCI) estimates that approximately 232,300 new cases of breast cancer are diagnosed in the United States annually.³

To supplement federal and private funding for breast cancer research, Congress in 1997 passed the Stamp Out Breast Cancer Act, authorizing a special postage stamp to increase public awareness of the disease and allow the public to participate directly in raising funds for such research.⁴

The Stamp Out Breast Cancer Act requires the Postal Service to establish a special rate of postage for a first-class mail stamp, the Breast Cancer Research Semipostal (BCRS) to support breast cancer research.⁵ The Postal Service is required to sell the BCRS as an alternative to the regular first-class rate of postage, and postal patrons may choose to purchase it at the higher price.⁶ After deducting its reasonable costs incurred for making the BCRS available, the Postal Service is required to remit the remaining proceeds from the sale to the National Institutes of Health (NIH) and the Department of Defense (DOD) for breast cancer research.⁷ Under the Act, seventy percent of the net proceeds go to NIH, with the remaining thirty percent to DOD's medical research program.⁸

From its first issuance in July 1998 through May 2015, the BCRS has raised nearly eighty-one million dollars for breast cancer research.⁹

The Government Accountability Office (GAO) has reported that the Breast Cancer Research stamp has been an effective fundraiser, with funds raised through sales of the stamp contributing to key insights and approaches for the treatment of breast cancer.¹⁰ For example, NIH has used the proceeds to support research into which patients may be most likely to benefit from chemotherapy, and DOD has used its share of the proceeds from the BCRS to fund Synergistic Idea Awards, a program that promotes new ideas and collaborations by funding innovative, high-risk,

¹Department of Health and Human Services, National Institutes of Health, National Cancer Institute. Report to Congress: Use of Funds Received for Semipostal Stamp for Breast Cancer Research, Fiscal Year 2010 (Jan. 2011), <http://obf.cancer.gov/contribute/BCStampReportFY2010.pdf>.

²SEER Stat Fact Sheets: Breast Cancer, National Cancer Institute, Surveillance, Epidemiology, and End Results Program, <http://seer.cancer.gov/statfacts/html/breast.html> (last visited Aug. 17, 2015).

³National Cancer Institute at the National Institutes of Health. Retrieved from: <http://www.cancer.gov/cancertopics/types/breast>.

⁴Pub. L. No. 105-41. 111 Stat. 1119 (Aug. 13, 1997) (codified as 39 U.S.C. § 414).

⁵39 U.S.C. § 414(a), (b).

⁶*Id.* at § 414(b).

⁷*Id.* at § 414(c).

⁸*Id.*

⁹Information provided by the United States Postal Service to Committee staff.

¹⁰U.S. Gov't Accountability Office, GAO-08-45, U.S. Postal Service: Agencies Distribute Fund-Raising Stamp Proceeds and Improve Reporting 15 (Oct. 2007), available at <http://www.gao.gov/new.items/d0845.pdf>.

high-reward breast cancer research projects involving two researchers working together.¹¹

S. 1170 would extend the authorities in the Stamp Out Breast Cancer Act through the end of 2019. Additionally, S. 1170 clarifies that the proceeds obtained by NIH and DOD must be used for breast cancer research.

The BCRS is supported by the American Cancer Society and the Susan G. Komen Breast Cancer Foundation, as well as by postal consumers who have contributed to strong annual sales of the stamp. The Committee also recognizes that with 23 cosponsors, the BCRS has broad, bipartisan support in the United States Senate.

III. LEGISLATIVE HISTORY

S. 1170 was introduced on April 30, 2015, by Senators Dianne Feinstein and Michael B. Enzi. Since introduction of S. 1170, Senators Kelly Ayotte, Tammy Baldwin, John Barrasso, Roy Blunt, Barbara Boxer, Sherrod Brown, Robert P. Casey, Jr., Thad Cochran, Christopher A. Coons, Richard Durbin, Lindsey Graham, Chuck Grassley, Orrin G. Hatch, Mazie Hirono, Amy Klobuchar, Robert Menendez, Harry Reid, Brian Schatz, Charles E. Schumer, Jeanne Shaheen, Debbie Stabenow, and Jon Tester have joined as cosponsors. The bill was referred to the Committee on Homeland Security and Governmental Affairs.

The Committee considered the bill at a business meeting on July 29, 2015. The Committee ordered the bill reported favorably by voice vote, en bloc, and without amendment. Senators Johnson, Portman, Lankford, Ernst, Sasse, Carper, Baldwin, Heitkamp, and Peters were present for the vote.

IV. SECTION-BY-SECTION ANALYSIS OF THE BILL, AS REPORTED

Section 1. Short title

This section provides the bill's short title, the "Breast Cancer Research Stamp Reauthorization Act of 2015".

Section 2. Extension of postage stamp for breast cancer research

This section extends the United States Postal Service's authority to issue the Breast Cancer Research Stamp for an additional four years.

Section 3. Ensuring that funds generated by special postage stamp sales are used for breast cancer research

This section specifies that any funds generated by stamp sales that an agency receives from the Postal Service must be used for breast cancer research.

V. EVALUATION OF REGULATORY IMPACT

Pursuant to the requirements of paragraph 11(b) of rule XXVI of the Standing Rules of the Senate, the Committee has considered the regulatory impact of this bill and determined that the bill will have no regulatory impact within the meaning of the rules. The Committee agrees with the Congressional Budget Office's statement that the bill contains no intergovernmental or private-sector

¹¹*Id.*

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

VI. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

SEPTEMBER 14, 2015.

Hon. RON JOHNSON, *Chairman,*
Committee on Homeland Security and Governmental Affairs, U.S.
Senate, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for S. 1170, the Breast Cancer Research Stamp Reauthorization Act of 2015.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Mark Grabowicz.

Sincerely,

KEITH HALL.

Enclosure.

S. 1170—Breast Cancer Research Stamp Reauthorization Act of 2015

Summary: The Stamp Out Breast Cancer Act (Public Law 105–41) authorized a special postage stamp for first-class mail. The price of this stamp is 60 cents, 11 cents above the current rate of 49cents. The authority to issue the stamp expires on December 31, 2015. After accounting for the Postal Service’s administrative costs, amounts above the regular postal rate collected from sales of the special stamp are transferred to the National Institutes of Health (NIH) and the Department of Defense (DoD) to spend on breast cancer research. S. 1170 would extend this program until December 31, 2019.

CBO estimates that enacting S. 1170 would result in a net reduction in direct spending of \$1 million over the 2016–2020 period, but those savings would be offset by increased direct spending in 2021 and 2022. Thus, under the bill there would be no net effect on direct spending over the 2016–2025 period. Pay-as-you-go procedures apply because enacting the legislation would affect direct spending. Enacting the legislation would not affect revenues.

S. 1170 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not affect the budgets of state, local, or tribal governments.

Estimated Cost to the Federal Government: The estimated budgetary impact of S. 1170 is shown in the following table. The costs of this legislation fall within budget functions 050 (national defense), 370 (commerce and housing credit), and 550 (health).

Basis of estimate: Extending the authority to issue the special breast cancer stamp would generate additional offsetting receipts that could be spent without further appropriation for research on the disease. The amounts collected and transferred by the Postal Service would be direct spending but are classified as “off-budget.” The amounts received and subsequently spent by NIH and DoD also would be direct spending and are classified as “on-budget.” The budgetary effects in individual years and in each category would vary because of the timing of such collections and spending,

but CBO estimates that enacting this bill would have no net effect on the unified budget over the 2016–2025 period.

Based on sales of the special breast cancer stamp in recent years, CBO estimates that enacting S. 1170 would generate collections above the regular postage rate of roughly \$6 million over the next five years. After covering its administrative costs (less than \$100,000 in total over the period), the Postal Service would transfer those collections to NIH and DoD in May and November of each year. In fiscal year 2016, for example, the Postal Service would transfer about \$0.5 million to NIH and DoD.

Those transfers from the Postal Service would increase NIH and DoD collections by about \$6.3 million over the 2016–2020 period. Because spending of those collections would lag behind the amounts collected by several months, we estimate that the NIH and DoD accounts would show net outlay reductions totaling \$14 million over the 2016–2020 period and a corresponding increase in outlays from 2021 through 2022. CBO estimates that enacting S. 1170 would have no net impact on the unified budget (including on-budget and off-budget effects) over the 2016–2025 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. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in the following table. Only on-budget changes to outlays or revenues are subject to pay-as-you-go procedures. Enacting S. 1170 would affect on-budget direct spending by NIH and DoD.

CBO ESTIMATE OF PAY-AS-YOU-GO EFFECTS FOR S. 1170 AS ORDERED REPORTED BY THE SENATE COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS ON JULY 29, 2015

	By fiscal year, in millions of dollars—											2016–2020	2016–2025
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025			
NET INCREASE OR DECREASE (–) IN THE ON-BUDGET DEFICIT													
Statutory Pay-As-You-Go Impact	0	–1	0	0	0	1	0	0	0	0	0	–1	0

Intergovernmental and private-sector impact: S. 1170 contains no intergovernmental or private-sector mandates as defined in UMRA and would not affect the budgets of state, local, or tribal governments.

Estimate prepared by: Federal costs: Mark Grabowicz; Impact on state, local, and tribal governments: Melissa Merrell; Impact on the private sector: Logan Smith.

Estimate approved by: H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.

VII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, changes in existing law made by S. 1170 as reported are shown as follows (existing law proposed to be omitted is enclosed in brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

TITLE 39—POSTAL SERVICE

* * * * *

PART I—GENERAL

* * * * *

CHAPTER 4—GENERAL AUTHORITY

* * * * *

SEC. 414. SPECIAL POSTAGE STAMPS.

(a) * * *

(b) * * *

(c)(1) Of the amounts becoming available for breast cancer research pursuant to this section, the Postal Service shall pay—

(A) 70 percent to the National Institutes of Health; and

(B) the remainder to the Department of Defense.

Payments under this paragraph to an agency shall be made under such arrangements as the Postal Service shall by mutual agreement with such agency establish in order to carry out the purposes of this section, except that, under those arrangements, payments to such agency shall be made at least twice a year. *An agency that receives amounts from the Postal Service under this paragraph shall use the amounts for breast cancer research.*

* * * * *

(h) This section shall cease to be effective after December 31, **[2015] 2019.**