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HOUSE COMMITTEE ON APPROPRIATIONS

2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 196

PRINTER'S NO: 195

PRIME SPONSOR: Baker

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	*See Analysis	*See Analysis

OVERVIEW:

House Bill 196 amends the Controlled Substances Act providing for limits on the retail sale of certain over-the-counter cold medications that may be used to criminally manufacture methamphetamine.

The retail sale of any product containing ephedrine, pseudoephedrine, phenylpropanolamine, or any of their salts, optical isomers or salts of optical isomers are prohibited unless one of the following applies:

- the product is offered for sale behind a counter where the public is not permitted; or
- the product is offered for sale within a locked cabinet that is located in an area of the facility involved to which customers do have direct access.

A violation the new provision under House Bill 195 is an ungraded misdemeanor and punishment is as follows:

- Upon conviction of the first such offense, a person shall be sentenced to imprisonment for not more than six months and/or shall pay a fine up to \$10,000.
- Upon conviction of a second or subsequent offense, a person shall be sentenced to imprisonment not exceeding two years and/or shall pay a fine up to \$25,000.

This act shall take effect in 60 days.

ANALYSIS:

It is not possible to determine how many individuals may be sentenced under this legislation; nor is it possible to predict what type of sentencing individuals may receive as are result of conviction. However, it is assumed that there may be a fiscal impact on both Commonwealth funds and local funds as a result of the enactment of this legislation. Imprisonment up to two years is typically served in county jails.

The average cost in 2008 for incarcerating an offender in a state correctional institution is almost \$35,000 per year (including health care). According to the Board of Probation and Parole, in 2008 the average cost for state parole supervision was \$3,139 per year.

The average cost in 2008 for incarceration in a county jail is approximately \$50 per day or \$18,250 per year. The average cost for supervising a county adult offender in 2007 was \$680 per year.

While this legislation is expected to have minimal fiscal impact, if considered in conjunction with other legislation that increases the grading of penalties or creates new penalties, the impact to state and/or local governments may be substantial.

PREPARED BY: Rayko Pacana, Budget Analyst

House Appropriations Committee, (D)

DATE: July 21, 2009

General Note and Disclaimer: This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.