



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 1297

PRINTERS NO. 1644

PRIME SPONSOR: Everett

COST / (SAVINGS)

FUND	FY 2010/11	FY 2011/12
General Fund	\$0	\$474,000

SUMMARY: Amends the Public Welfare Code adding a new section requiring random drug testing for applicants and recipients with a felony conviction for a drug offense. Effective date is in 60 days.

ANALYSIS: The legislation provides that an individual who has been convicted of a felony drug offense cannot be denied assistance if the individual complies with obligations imposed by the criminal court and is engaged in/ has completed a court-ordered substance abuse treatment program and participates in periodic drug screenings for 5 years after the drug-related conviction or duration of probation. There are requirements for an individual who has a felony conviction for a drug offense within the past 5 years or is on probation for the conviction. If applying for public assistance, the individual is required to be tested; if a recipient, the individual is required to schedule to be tested as a part of a every 6 month random test of no less than 20% of those receiving public assistance. The department would be required to deny public assistance to an individual who refuses to submit to the drug test, retest, or random test. If an individual fails the drug test or retest for the first time, that individual shall be provided with an assessment and treatment for addiction; no sanction would be imposed on the individual who cooperates. If an individual refuses to cooperate with the assessment and treatment, first time failure will result in a 6 month suspension of public assistance benefits. A second failure will result in a 12 month suspension and a third failure will result in ineligibility for public assistance benefits. After the suspension time period, and individual may reapply for public assistance and submit to a drug retest. If an individual fails a drug test/ retest, nothing in the legislation would render that individual ineligible for participation in a drug treatment program, a medical assistance program or another benefit not defined as public assistance in this legislation.

FISCAL IMPACT: According to the Pa Commission on Sentencing 2009 annual report, there were 10,528 drug felony offenses of which 8,275 are in state prison, county jail or state/ county intermediate punishment. This estimate assumes the remaining 2,253 were public assistance recipients in 2009 and a 20% per year growth or an estimated 3,245 public assistance recipients with drug felony offenses in 2011. This estimate assumes the following: a total state cost of \$40 per drug test; that 649 current recipients are randomly tested every 6 months; that 650 new individuals with drug felony offenses would apply each year but that 100 would be deterred from applying (for cash and medical assistance) due to the drug testing provisions of the legislation; that any current randomly tested recipient or any new applicant who fails the drug test would cooperate and be provided with an assessment/ treatment and not be sanctioned; and that the administrative cost associated with the county assistance offices' responsibilities to monitor the results of the drug tests, if necessary, to impose sanctions and to restore cash payments would require 10 full-time equivalent positions (\$68,000 per position for salary, benefits, operating) and \$25,000 in one-time training cost for these individuals in the first year of implementation. Therefore, the estimate for fiscal year 2011-12 assuming 6 months of drug testing, would be a total state cost of \$742,000 for drug tests, for one-time training and for the 10 FTE positions offset by \$268,000 in 6 months state savings for the estimated 100 who would not apply for cash and medical assistance benefits; a net state cost of \$474,000. Estimated annual state cost would total \$728,000 for drug tests and the 10 FTE positions offset by an estimated \$536,000 for 12 months of state savings or an annual state cost of \$192,000.

PREPARED BY: Kathy Vranicar
House Appropriations Committee (R)

DATE: April 27, 2011

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.