



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

HOUSE BILL NO. 608

PRINTERS NO. 3372

PRIME SPONSOR: Baker

COST / (SAVINGS)

FUND	FY 2015/16	FY 2016/17
General Fund	See "Fiscal Impact" below.	

SUMMARY: House Bill 608 amends the Controlled Substance, Drug, Device and Cosmetic Act concerning liquefied ammonia gas, precursors and chemicals. It would take effect in 60 days.

ANALYSIS: This legislation adds the term "precursor substances" to the list of chemicals it is illegal to possess if the possessor's intent is to illegally manufacture a controlled substance. The term "precursor substances" includes specific substances enumerated in the bill as well as any substances added by the Secretary of Health by regulation under Section 35 of the Act. The bill also authorizes the Secretary of Health to promulgate regulations classifying chemical compounds as "precursor substances" after considering factors such as the availability for illegal diversion, historical and potential use for illegal production of a controlled substance, and the nature and extent of legitimate uses. The Secretary of Health may also place any substance deemed an imminent hazard to public health on the list of controlled substances included in Schedules 1-V in Section 4 of the Act; remove a substance from the current schedules if health and safety would not be affected and the substance has been approved for over-the-counter sale under federal law; and reschedule a substance to conform to changes made in the federal Controlled Substances Act and regulations if doing so would have no adverse impact on health and safety.

FISCAL IMPACT: According to the Department of Health, the additional authorities given to the Secretary by this legislation will not have a fiscal impact on the Department.

The potential costs of adding "precursor substances" and other substances to the list of controlled substances cannot be determined at this time. While this could create additional costs for the Commonwealth to the extent that individuals are arrested and incarcerated for possessing and selling these substances, no reliable data exist to estimate what that number of offenders might be. The average cost for incarcerating an individual at the State Department of Corrections is approximately \$35,000 per year. The average yearly cost of supervising an individual on state probation or parole is \$3,000. The average cost for incarceration in a county jail is approximately \$70 per day, or \$25,615 per year. The average cost for supervising a county adult offender is \$860 per year.

PREPARED BY: Jeff Miller
House Appropriations Committee (R)

DATE: May 23, 2016

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