

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 19** HLS 14RS 244
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 14, 2014 3:07 PM	Author: PEARSON
Dept./Agy.: Corrections	Analyst: Stephanie C. Blanchard
Subject: Controlled Substances	

CONTROLLED SUBSTANCES OR INCREASE GF EX See Note Page 1 of 1
 Adds substances to Schedule I of the Uniform Controlled Dangerous Substances Law

The proposed legislation retains present law and adds three substances to the list of Schedule I of the Uniform Controlled Dangerous Substance Law by creating a miscellaneous designation for substances which have more than one pharmacological effect. The three substances are Mitragynine, 7-Hydroxymitragynine, and Mitragynine pseudoindoxyl.

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total						

EXPENDITURE EXPLANATION

The proposed legislation may result in an increase in state general fund expenditures if a defendant is convicted of unlawful production, manufacture, distribution, or dispensing or possession of prohibited stimulant products. The exact fiscal impact of the passage of this legislation is indeterminable, since it adds three substances to the list of Controlled Dangerous Substances and it is not known how many people will be convicted of this crime. However, any offender sentenced to the custody of the Department of Public Safety and Corrections increases expenditures by \$24.39 per day per offender in local facilities. To the extent that offenders are sentenced and housed in state facilities, the cost per day per offender is \$52.51. Currently, the Department of Corrections houses approximately 50% of state offenders at the local level and 50% at the state level.

Current law (R.S. 40:966) provides that the penalty "...to produce, manufacture, distribute, or dispense or possess with the intent to produce, manufacture, distribute, or dispense..." is imprisonment with hard labor for not less than 5 years nor more than 30 years, at least 5 years served without benefit of parole, probation, or suspension of sentence. The penalty for possession of any controlled dangerous substance classified in Schedule I is imprisonment at hard labor for not more than 10 years.

For illustrative purposes, if 10 persons are convicted of this crime, with 5 offenders housed at the local level and 5 offenders at the state level, the annual cost of incarceration would be \$44,512 at the local level (5 offenders x \$24.39 per day x 365 days) and \$95,831 at the state level (5 offenders x \$52.51 per day x 365 days) for a total cost of \$140,343 (\$44,512 + \$95,831).

REVENUE EXPLANATION

There is no anticipated direct material effect on state revenues as a result of this measure. However, any revenue generated through the imposition of fines as a result of conviction would accrue to local government entities.

Current law provides that the fine "...to produce, manufacture, distribute, or dispense or possess with the intent to produce, manufacture, distribute, or dispense..." is not more than \$50,000 and the fine for possession is not more than \$5,000.

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|---|----------------------------|--|---|
| <u>Senate</u> | <u>Dual Referral Rules</u> | <u>House</u> | <input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} |
| <input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H} | | <input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S} | |
| <input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H} | | <input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | |

Evan Brasseaux
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