

CORRECTIONS IMPACT STATEMENT

SESSION: 17RS

BILL #: HB 333 GA

BR #: 1132

DOC ID#: BR113200.100 - 1132 - XXXX

BILL SPONSOR(S): Rep. K. Moser, J. Fischer, R. Benvenuti III, J. Blanton, D. Elliott, D. Graham, C. Morgan, J. Richards, S. Santoro, D. St. Onge, J. Wayne, S. Westrom

AMENDMENT SPONSOR(S): Rep. Moser

SUBJECT: AN ACT relating to controlled substances.

SUMMARY OF LEGISLATION:

Amend KRS 218A.010 to define "fentanyl," "carfentanil," and "fentanyl derivatives"; amend KRS 218A.020 to expand the authority of the Office of Drug Control Policy to request the rescheduling of a substance; amend KRS 218A.050 to schedule fentanyl derivatives as Schedule I controlled substances; amend KRS 218A.1410 to include carfentanil, fentanyl, or fentanyl derivatives; amend KRS 218A.1412 to make trafficking in any amount of fentanyl, carfentanil, or fentanyl derivatives subject to elevated penalties; amend KRS 218A.142 to include carfentanil, fentanyl, or fentanyl derivatives; amend KRS 218A.205 to require state licensing boards to promulgate regulations limiting prescriptions for Schedule II controlled substances for acute pain to a three day supply, with certain exceptions; create a new section of KRS Chapter 218A to create a new offense of trafficking in a misrepresented controlled substance.

HFA3 - Amend KRS 218A.1412 to specify that a person who has a substance use disorder and traffics in less than two grams of heroin is guilty of a Class D felony; add additional exemptions to 72-hour limit on prescribing Schedule II controlled substances.

This bill amendment committee substitute is expected to:

Have the following Corrections impact Have no Corrections impact

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|---|--|
| <input checked="" type="checkbox"/> Creates new crime(s) | <input type="checkbox"/> Repeals existing crime(s) |
| <input checked="" type="checkbox"/> Increases penalty for existing crime(s) | <input type="checkbox"/> Decreases penalty for existing crime(s) |
| <input checked="" type="checkbox"/> Increases incarceration | <input type="checkbox"/> Decreases incarceration |
| <input type="checkbox"/> Reduces inmate/offender services | <input type="checkbox"/> Increases inmate/offender services |
| <input type="checkbox"/> Increases staff time or positions | <input type="checkbox"/> Reduces staff time or positions |
| <input checked="" type="checkbox"/> Changes elements of offense for existing crime(s) | |
| <input type="checkbox"/> Otherwise impacts incarceration (Explain) _____ | |

STATE IMPACT: Class A, B & C felonies are based on an average daily prison rate of \$66.82. Most Class D felons are housed in one of 76 full service jails for up to 5 years. DOC's cost to incarcerate a felony inmate in a jail is \$31.41 per day (includes jail per diem, medical & central office costs), not including substance abuse treatment. Projections are based on the daily rate x 365 x number of years.

Projected Impact: NONE MINIMAL MODERATE SIGNIFICANT

Potential Impact:

The bill provides a definition for carfentanil, fentanyl, and fentanyl derivatives. An addition to the definition of marijuana excludes a cannabidiol product approved as prescription medication by the FDA. The bill also outlines guidelines for prescribing opioids for chronic pain. Fentanyl derivatives are added as a Schedule I controlled substance.

The bill establishes a crime of Importing Carfentanil, Fentanyl, or Fentanyl Derivatives, which is a Class C felony. It is not known how many additional offenders would be convicted of Importing Carfentanil, Fentanyl, or Fentanyl Derivatives.

An offender is guilty of Trafficking in a Controlled Substance 1st Degree with any quantity of carfentanil, fentanyl, and fentanyl derivatives under this legislation. Currently, the Department has 7 offenders serving on Trafficking in Controlled Substances 1st Degree - Fentanyl.

The proposed legislation requires that anyone convicted of Trafficking in Fentanyl 1st Offense, regardless of the quantity, shall be guilty of a Class C felony. Under current statute, Trafficking in Fentanyl 1st degree under 2 Grams is a Class D felony for a first offense. By removing the quantity threshold for fentanyl, incarceration timeframes would increase from 1-5 years (Class D felony) to 5-10 years (Class C felony) with increased costs associated with longer periods of incarceration. In addition, offenders guilty of Trafficking in Fentanyl 2nd or Subsequent Offense would be elevated to a Class B felony.

The number of offenders currently incarcerated for Trafficking in Fentanyl is not significant as the designation for Fentanyl in the penal code occurred only a few years ago. Unfortunately, it is not possible to predict the number of additional offenders who would be charged with Trafficking in Fentanyl; however, offenders entering the criminal justice system under Fentanyl charges are expected to increase.

The legislation requires that anyone convicted of a Class C Trafficking in Fentanyl serve 50% of the sentence imposed prior to release on probation, shock probation, parole, conditional discharge, or other early release. Under current statute, an inmate convicted of a Class D Trafficking in Fentanyl would be subject to 20% of the sentence prior to becoming eligible for parole. Increasing the parole eligibility rate from 20% to 50% would increase costs associated with a longer period of incarceration.

Class D Fentanyl traffickers currently serve an average of 282 days before release on parole. Class C Fentanyl traffickers, on average, currently serve 1825 days before reaching 50% parole eligibility. The difference between the two is the additional time that Class D Fentanyl traffickers would serve before becoming parole eligible under the proposed legislation. If HB 333 had been law at the time of their convictions, the 7 currently incarcerated Fentanyl traffickers would serve at least an additional 1543 days of incarceration until they meet 50% parole eligibility. At \$66.82 per day, the estimated cost would be \$721,722.82. This calculation assumes that all offenders would parole at 50%. In addition, this calculation does not include second or subsequent offenders.

Aggravated Trafficking in a Controlled Substance 1st Degree adds 28 grams or more of fentanyl or 10 grams or more of carfentanil or fentanyl derivatives and is a Class B felony. Incarceration costs for a Class B felon is between \$243,910 to \$487,820 for a 10-20 year sentence. It is not known how many offenders would be convicted of Aggravated Trafficking in Fentanyl, but the number is not expected to be significant.

A new crime of Trafficking in a Misrepresented Controlled Substance is created when an individual knowingly or unlawfully sells or distributes a Schedule I controlled substance, carfentanil, or fentanyl while misrepresenting the identity of the controlled substance being sold or distributed as a legitimate pharmaceutical product. Trafficking in a Misrepresented Controlled Substance would be a Class D felony, and considered as a separate offense to other violations under KRS 218A occurring during the same course of conduct. It is unknown how many additional Class D offenders would be convicted under Trafficking in a Misrepresented Controlled Substance.

House Floor Amendment 3:

The proposed floor amendment specifies a person trafficking in any quantity of fentanyl, carfentanil, or fentanyl derivatives or trafficking 2 grams or more of heroin shall be guilty of a Class C felony for a 1st offense and a Class B felony for a 2nd or subsequent offense.

A person trafficking less than two grams of heroin shall be guilty of a Class C felony for a 1st offense and a Class B felony for a 2nd or subsequent offense, except if at the time of the offense, the defendant is determined by the court to have a substance abuse disorder, to which the defendant shall be guilty of a Class D felony.

It is not possible to estimate how many offenders under this legislation would qualify for the lower penalty based on the substance abuse disorder, but it is expected that the number would be substantial. Allowing these offenders to qualify to the Class D felony would substantially reduce incarceration costs through shorter sentences and a lower cost to incarcerate.

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| A Class B Felony sentence is 10 to 20 years | 10 Class B Felons cost \$2.4M to \$4.878M |
| 1 Class B Felon costs KY \$243,910 to \$487,820 | 100 Class B Felons cost \$24.4M to \$48.8M |
| A Class C Felony sentence is 5 to 10 years. | 10 Class C Felons cost \$1.2M to \$2.4M |
| 1 Class C Felon costs KY \$121,955 to \$243,910 | 100 Class C Felons cost \$12.2M to \$24.4M |
| A Class D Felony sentence is 1 to 5 years. | 10 Class D Felons cost \$114,640 to \$573,200 |
| 1 Class D Felon costs KY \$11,464 to \$57,320 | 100 Class D Felons cost \$1.146M to \$5.7M |

LOCAL IMPACT: Local governments are responsible for the cost of incarcerating individuals charged with Class A or B misdemeanors and felony defendants until disposition of the case. While the expense varies by jail, this estimated impact will be based on \$31.34 per day, which equals the per diem and medical that DOC pays jails to house felony offenders.

Projected Impact: NONE MINIMAL MODERATE SIGNIFICANT

Potential Impact:

HB 333 is expected to minimally impact the county jails because the trafficking of fentanyl was already a felony level offense, regardless of the amount.

A Class C offender must be within 24 months of the parole eligibility date and meet community custody classification requirements in order to be housed at a county jail. Some of the increased number of Class C felons under this legislation could continue to be housed in a county jail if certain classification criteria are met. Other offenders that previously would have been Class D felons housed at a county jail would now be Class C felons that may not meet the eligibility criteria for housing at a county jail. This would decrease revenue for jails.

Trafficking in a Misrepresented Controlled Substance would be eligible for placement at a county jail as a Class D felony.

House Floor Amendment 3:

Under the House Floor Amendment, offenders subject to the Class D felony due to a substance abuse disorder would qualify for placement at the county jails.

The following offices contributed to this Corrections Impact Statement:

Dept. of Corrections Dept. of Kentucky State Police Administrative Office of the Courts Parole Board Other

NOTE: Consideration should be given to the cumulative impact of all bills that increase the felon population or that impose new obligations on state or local governments.

APPROVED BY:

Commissioner, Kentucky Department of Corrections

Date