

January 25, 2011

The Honorable Pat Colloton, Chairperson
House Committee on Corrections and Juvenile Justice
Statehouse, Room 167-W
Topeka, Kansas 66612

Dear Representative Colloton:

SUBJECT: Fiscal Note for HB 2049 by House Committee on Corrections and Juvenile Justice

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2049 is respectfully submitted to your committee.

Under current law, certain synthetic cannabinoid compounds, which mimic the effects of tetrahydrocannabinol (THC), the active ingredient in marijuana, are controlled substances in Kansas. HB 2049 would expand the restriction of synthetic cannabinoids by controlling entire classes of the drug rather than each chemical compound.

Under three different scenarios, the Kansas Sentencing Commission estimates that passage of HB 2049 would result in an increase of eight, 15, and 23 adult prison beds in FY 2012 and an increase of 15, 31, and 46 adult prison beds by FY 2021. Each scenario assumes 5.0, 10.0, and 15.0 percent increases, respectively, in convictions per year and that 15.0 percent of those convicted would be sent to prison. Currently, the number of male inmates exceeds the available bed capacity of 8,259, and based upon the Kansas Sentencing Commission projections, it is estimated that at the end of FY 2011 and FY 2012, the number of male inmates will exceed available capacity by 235 beds and 394 beds, respectively. To address capacity issues, the Governor's recommended FY 2012 budget includes \$2.5 million for contract prison beds. If it is determined that facility construction is necessary, KDOC has identified two capacity expansion projects: two high medium security housing units at El Dorado Correctional Facility that would provide 512 beds with a construction cost of \$22,687,232 (\$44,311 per bed X 512) and operating costs of \$9,339,904 (\$18,242 per bed X 512); and one minimum security housing unit at Ellsworth Correctional Facility that would provide 100 beds with a construction cost of \$5,935,000 (\$59,350 per bed X 100) and operating costs of \$1,832,000 (\$18,320 per bed X 100).

Any capacity needed beyond the options outlined above could require additional contract or construction costs. The actual construction costs would depend upon the security level of the beds to be constructed and when construction is actually undertaken, while the actual operating

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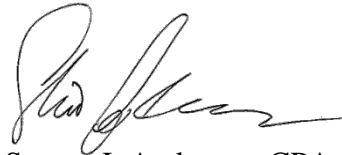
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costs would depend upon the base salary amounts, fringe benefit rates, per meal costs, per capita health care costs, and other cost factors applicable at the time the additional capacity is occupied. Likewise, any further prison commitments that result in additional parolees could require additional staff and resources so that the additional parolees can be effectively supervised.

According to the Kansas Bureau of Investigation (KBI), it is estimated that 12 new drugs would be used illegally and would need to be identified in KBI laboratories in criminal cases. To identify a drug, it is necessary for the agency to have known standard to compare with the new substances. These drug standards would have to be purchased at a total cost of \$7,200 and sent to the three KBI laboratories (12 standards X 3 laboratories X \$200 unit cost = \$7,200). KBI estimates that additional State General Fund resources would be necessary for the costs of the standards.

HB 2049 has the potential for increasing litigation in the courts because of the additions to the controlled substances list. If it does, the Office of Judicial Administration indicates that there would be a fiscal effect on the operations of the court system. However, it is not possible to predict the number of additional court cases that would arise or how complex and time-consuming they would be. Therefore, a precise fiscal effect cannot be determined. In any case, the fiscal effect would most likely be accommodated within the existing schedule of court cases and would not require additional resources. Any fiscal effect associated with HB 2049 is not reflected in *The FY 2012 Governor's Budget Report*.

Sincerely,



Steven J. Anderson, CPA, MBA
Director of the Budget

cc: Debra Billingsley, Pharmacy
Linda Durand, KBI
Pat Scalia, BIDS
Mary Rinehart, Judiciary
Michele Velde, Sentencing
Jeremy Barclay, KDOC