

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 527 (Senator Collins)

Judicial Proceedings

Crimes - Abusable Volatile Chemicals - Sales Permits

This bill prohibits: (1) the retail sale of “abusable volatile chemicals” without a sales permit; (2) the abuse of volatile chemicals; (3) the use, manufacture, or distribution of “inhalant paraphernalia” to abuse volatile chemicals; (4) the instruction of another person in the practice of unlawful inhaling; (5) the sale of volatile chemicals to a minor; and (6) the manufacturing or distribution of an abusable volatile chemical without additive material. The Department of Health and Mental Hygiene (DHMH) is required to issue volatile chemical sales permits, monitor and enforce the volatile chemicals permit program, and approve and designate additive materials to be included in volatile chemicals. DHMH is authorized to establish permit fees to recover costs of administering the permit program, including a \$50 permit issuance and renewal fee. Fee revenues are to be deposited in an Inhalant Abuse Prevention account and are to be used to administer the program and finance education projects concerning the hazards of volatile chemicals.

Fiscal Summary

State Effect: General fund expenditures increase by \$255,500 and general fund revenues increase by \$350,000 in FY 1999, exclusive of a potential indeterminate increase in general fund revenues and expenditures due to the bill’s penalty provisions. Future year expenditures increase with annualization and inflation; future year revenues remain constant.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$350,000	\$350,000	\$350,000	\$350,000	\$350,000
GF Expenditures	255,500	303,200	313,500	324,200	335,200
Net Effect	\$94,500	\$46,800	\$36,500	\$25,800	\$14,800

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: Potential indeterminate increase in revenues and expenditures due to the bill’s penalty provisions.

Small Business Effect: Minimal.

Fiscal Analysis

Bill Summary: The bill provides that a person who (1) sells an abusable volatile chemical without a permit; (2) instructs another person in the practice of unlawful inhaling; (3) manufactures or distributes inhalant paraphernalia; or (4) manufactures or distributes an abusable volatile chemical without additive material is guilty of a misdemeanor and on conviction is subject to a fine of not more than \$1,000 or imprisonment for up to 18 months, or both. Permit holders must display a conspicuous sign indicating it is illegal to sell volatile chemicals to a minor or to abuse volatile chemicals. A person who (1) abuses a volatile chemical; (2) sells a volatile chemical without displaying a sign; (3) uses inhalant paraphernalia to abuse volatile chemicals; or (4) sells volatile chemicals to a minor is guilty of a misdemeanor and on conviction is subject to a fine of up to \$500 or imprisonment for up to six months, or both.

State Effect: General fund expenditures could increase by an estimated \$255,499 in fiscal 1999, which accounts for the bill's October 1, 1998 effective date. This estimate reflects the cost of eight new positions (two Public Health Laboratory Scientists, one Data Processing Manager, three Health Services Specialists, one Health Facilities Survey Coordinator, and one Office Secretary) to administer a new abusable volatile chemicals regulatory program and perform education outreach about the hazards of volatile chemicals. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salaries and Fringe Benefits	\$207,564
Other Operating Expenses	<u>47,935</u>
Total FY 1999 State Expenditures	\$255,499

Future year expenditures reflect (1) full salaries with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

General fund revenues could increase by \$350,000 in fiscal 1999 as a result of the bill's permit fee provision. This estimate assumes a permit fee of \$50 and 7,000 retail businesses (including hardware, general, auto parts, and paint stores and pharmacies) in Maryland that sell abusable volatile chemicals. Future year revenues remain constant. The estimate of 7,000 retail establishments results in excess revenues for the first few years of the program, which could be used for education projects concerning the hazards of volatile chemicals.

General fund expenditures could increase as a result of the bill's incarceration penalties due to more people being committed to a Division of Correction (DOC) facility and increased payments to counties for reimbursement of inmate costs, depending upon the number of convictions and sentences imposed.

Persons serving a sentence longer than one year are incarcerated in a DOC facility. In fiscal 1999 the average monthly cost per inmate is estimated at \$1,500. Persons serving a sentence of one year or less are sentenced to a local detention facility. The State reimburses counties for part of their per diem rate after a person has served 90 days. State per diem reimbursements for fiscal 1999 are estimated to range from \$12 to \$42 per inmate depending upon the jurisdiction. Persons sentenced to such a term in Baltimore City are generally incarcerated in a DOC facility, with an average monthly cost estimated at \$1,500 for fiscal 1999. The Baltimore City Detention Center (BCDC), a State operated facility, is used primarily for pretrial detentions. The per diem cost for BCDC in fiscal 1999 is estimated at \$43 per inmate.

General fund revenues could increase under the bill's monetary penalty provisions for those cases heard in the District Court, depending upon the number of convictions and fines imposed.

Local Revenues: Revenues could increase under the bill's monetary penalty provisions for those cases heard in the circuit courts, depending upon the number of convictions and fines imposed.

Local Expenditures: Expenditures could increase as a result of the bill's incarceration penalties depending upon the number of convictions and sentences imposed. Counties pay the full cost of incarceration for people in their facilities for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$23 to \$83 per inmate in fiscal 1999.

Information Source(s): Department of Public Safety and Correctional Services (Division of Correction), Department of Health and Mental Hygiene (Alcohol and Drug Abuse

Administration, Community and Public Health Administration, Laboratories Administration), Department of Legislative Services

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