

Department of Legislative Services
Maryland General Assembly
2015 Session

FISCAL AND POLICY NOTE
Revised

House Bill 1057
Judiciary

(Delegate Carter)

Judicial Proceedings

Criminal Law - Synthetic Cannabinoids - Prohibition

This bill adds the definition of “synthetic cannabinoid” to Title 5 of the Criminal Law Article and adds synthetic cannabinoid to the list of Schedule I controlled dangerous substances (CDS). The bill also allows an authorized provider to conduct research in Maryland with a CDS listed in Schedule I if the provider (1) is approved by either a federally registered institutional board or an institutional animal care and use committee to conduct the research on the CDS listed in Schedule I that is not scheduled under federal law and (2) gives evidence of the approval to the Department of Health and Mental Hygiene (DHMH).

The bill terminates September 30, 2016.

Fiscal Summary

State Effect: Minimal increase in general fund revenues and expenditures due to applicable CDS penalty provisions. Potential minimal increase in general fund expenditures for the Office of the Public Defender (OPD) to accommodate any increase in cases as a result of the bill. Any increase in District Court caseloads can be handled with existing resources.

Local Effect: Minimal increase in local revenues and expenditures due to applicable CDS penalty provisions. Any increase in circuit court caseloads can be handled with existing resources.

Small Business Effect: Minimal loss of revenue for small businesses that currently sell substances that become illegal under the bill.

Analysis

Bill Summary: The bill also requires the Department of State Police to report, by July 1, 2016, to the General Assembly on the following issues:

- the technologies and protocols being used to identify synthetic drugs and other CDS in the State;
- the technical capabilities and accuracy rates of technologies and protocols used to identify synthetic drugs and other CDS; and
- the status of acceptance by the courts of technologies and protocols for identification of synthetic drugs and other CDS in the State.

“Synthetic cannabinoid” means a synthetic chemical compound that is a cannabinoid receptor agonist and that mimics the pharmacological effect of a naturally occurring cannabinoid or a CDS listed in Schedule I or Schedule II. The definition includes a substance or an analog of a substance that is designed, generated, or recombined to create a new structure using a three-component pharmacophore model and that contains one or more pharmacophores or components of a CDS listed in Schedule I or Schedule II. The definition does not include any drug approved by the federal Food and Drug Administration.

Current Law: CDS are listed on one of five schedules (Schedules I through V) set forth in statute depending on their potential for abuse and acceptance for medical use. Under the federal Controlled Dangerous Substances Act, for a drug or substance to be classified as Schedule I, the following findings must be made: (1) the substance has a high potential for abuse; (2) the drug or other substance has no currently accepted medical use in the United States; and (3) there is a lack of accepted safety for use of the drug or other substance under medical supervision.

No distinction is made in State law regarding the illegal possession of any controlled dangerous substance, regardless of which schedule it is on, with the exception of marijuana.

The use or possession of a CDS other than marijuana is a misdemeanor with maximum criminal penalties of four years imprisonment and/or a \$25,000 fine. The distribution, possession with intent to distribute, or dispensing of a controlled dangerous substance, including marijuana, is a felony with maximum criminal penalties of five years imprisonment and/or a \$15,000 fine.

For information on primary crimes (other than possession) involving CDS, please refer to the **Appendix – Additional Primary Crimes Involving Controlled Dangerous Substances**.

Controlled Substance Analogues: Under federal law, a “controlled substance analogue” means a substance (1) with a chemical structure that is substantially similar to the chemical structure of a controlled substance in Schedule I or II; (2) which has a stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance in Schedule I or II; or (3) that is represented by or intended by a person to have a stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance in Schedule I or II.

Under 18 U.S.C. § 813, also referred to as the Federal Analogue Act, a controlled substance analogue must be treated for the purposes of any federal law as a Schedule I controlled substance if the substance is intended for human consumption. Common criticisms of the Federal Analogue Act are that its “substantially similar” standard is vague and that the requirement that the substance be intended for human consumption can be easily countered by a person facing prosecution, since substances like bath salts are often packaged and marketed as beauty products.

Under the State’s Schedule I statute, a “controlled dangerous substance analogue” means a substance (1) that has a chemical structure substantially similar to the chemical structure of a controlled dangerous substance listed in Schedule I or Schedule II and (2) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system that is substantially similar to or greater than the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled dangerous substance listed in Schedule I or Schedule II. “Controlled dangerous substance analogue” does not include (1) a CDS; (2) a substance for which there is an approved new drug application; or (3) a substance exempted for investigational use under § 506 of the Federal Food, Drug, and Cosmetic Act.

To the extent intended for human consumption, each CDS analogue is a substance listed in Schedule I.

Background: In recent years, the public has seen the proliferation of new synthetic, designer drugs, with innocent names like “bath salts,” “spice,” and “smiles,” that until recently could be found at local convenience stores or smoke shops and remain widely available over the Internet. The popularity and availability of these substances has grown in recent years, and criminal enforcement of the sale and possession of these substances has been challenging, since manufacturers can elude legal bans on products by making slight changes to their chemical structures.

On July 9, 2012, President Obama signed the Synthetic Drug Abuse Prevention Act of 2012. This legislation bans compounds found in synthetic stimulants, synthetic marijuana, and synthetic hallucinogens. These designer drugs are on the Drug Enforcement Agency’s list of Schedule I controlled dangerous substances, making it a federal crime to manufacture, possess, distribute, import, or export these chemicals or products containing them. In announcing the signing of the Act, the Office of National Drug Control Policy

encouraged states that have not already done so to incorporate these substances into their state drug schedules “to ensure that state law enforcement agencies have full authority to act against these substances.”

In 2012, Maryland enacted Chapter 384, adding the chemical compounds in “bath salts” to the State’s Schedule I. Additionally, under Maryland law, if the federal government places a substance on Schedule I, it is automatically considered a Schedule I substance in the State unless DHMH objects to the designation. Since DHMH has not raised an objection, the synthetic cannabinoids and hallucinogens designated by federal law as Schedule I substances are illegal in Maryland.

In 2013, Maryland enacted Chapter 442, adding “cannabimimetic agents,” also referred to as “Spice,” “synthetic marijuana,” or “K2,” to the State’s list of Schedule I controlled dangerous substances. “Cannabimimetic agents” are defined as substances that are cannabinoid receptor type 1 agonists as demonstrated by binding studies and functional assays within one of several listed structural classes and are listed as Schedule I substances. Thus, some synthetic cannabinoids as defined under the bill may already be illegal under State law.

State Revenues: General fund revenues increase minimally due to applicable CDS penalty provisions from cases heard in the District Court.

State Expenditures: While some synthetic cannabinoids are illegal in the State under the definition of cannabimimetic agents, and as a result of the federal Synthetic Drug Abuse Prevention Act of 2012, as discussed above, it is unclear to what extent the provisions are being enforced and what level of increased enforcement occurs as a result of the bill. That being said, it is assumed that the number of additional arrests and convictions resulting from the bill is minimal. Thus, general fund expenditures increase minimally as a result of applicable CDS penalty provisions due to more people being committed to State correctional facilities and increased payments to counties for reimbursement of inmate costs. General fund expenditures may also increase minimally for OPD to handle any additional cases generated by the bill.

Persons serving a sentence longer than 18 months are incarcerated in State correctional facilities. Currently, the average total cost per inmate, including overhead, is estimated at \$3,100 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. Excluding overhead, the average cost of housing a new State inmate (including variable health care costs) is about \$770 per month. Excluding all health care, the average variable costs total \$200 per month.

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to local detention facilities. For persons sentenced to a term of between 12 and 18 months, the sentencing judge has the discretion to order that the sentence be

served at a local facility or a State correctional facility. Prior to fiscal 2010, the State reimbursed counties for part of their incarceration costs, on a per diem basis, after a person had served 90 days. Currently, the State provides assistance to the counties for locally sentenced inmates and for inmates who are sentenced to and awaiting transfer to the State correctional system. A \$45 per diem grant is provided to each county for each day between 12 and 18 months that a sentenced inmate is confined in a local detention center. Counties also receive an additional \$45 per day grant for inmates who have been sentenced to the custody of the State but are confined in a local facility. The State does not pay for pretrial detention time in a local correctional facility. Persons sentenced in Baltimore City are generally incarcerated in State correctional facilities. The Baltimore City Detention Center, a State-operated facility, is used primarily for pretrial detentions.

Local Revenues: Revenues increase minimally as a result of applicable CDS penalty provisions from cases heard in the circuit courts.

Local Expenditures: Expenditures increase as a result of applicable CDS penalty provisions. Counties pay the full cost of incarceration for people in their facilities for the first 12 months of the sentence. A \$45 per diem State grant is provided to each county for each day between 12 and 18 months that a sentenced inmate is confined in a local detention center. Counties also receive an additional \$45 per day grant for inmates who have been sentenced to the custody of the State but are confined in a local facility. Per diem operating costs of local detention facilities have ranged from approximately \$60 to \$160 per inmate in recent years.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Baltimore City, cities of Bowie and Takoma Park, Howard and Montgomery counties, Maryland State Commission on Criminal Sentencing Policy, Governor's Office of Crime Control and Prevention, Department of Health and Mental Hygiene, Judiciary (Administrative Office of the Courts), Department of State Police, Office of the Public Defender, Department of Public Safety and Correctional Services, State's Attorneys' Association, University System of Maryland, University of Maryland Medical System, Department of Legislative Services

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Appendix – Additional Primary Crimes Involving Controlled Dangerous Substances

For specified primary crimes involving controlled dangerous substances and paraphernalia, a person may not:

- distribute, dispense, or possess with the intent to distribute a controlled dangerous substance;
- manufacture a controlled dangerous substance or manufacture, distribute, or possess a machine, equipment, or device that is adapted to produce a controlled dangerous substance with the intent to use it to produce, sell, or dispense a controlled dangerous substance;
- create, distribute, or possess with the intent to distribute a counterfeit substance;
- manufacture, distribute, or possess equipment designed to render a counterfeit substance;
- keep a common nuisance (any place resorted to for the purpose of illegally administering controlled dangerous substances or where such substances or controlled paraphernalia are illegally manufactured, distributed, dispensed, stored, or concealed); or
- pass, issue, make, or possess a false, counterfeit, or altered prescription for a controlled dangerous substance with the intent to distribute the controlled dangerous substance.

Exhibit 1 contains the applicable sentences for these crimes.

Exhibit 1
Penalties for Distribution of Controlled Dangerous Substances (CDS)
and Related Offenses

Offense

Current Penalty

CDS (Other than Schedule I or II Narcotic Drugs and Other Specified CDS)

First-time Offender – CDS (other than Schedule I or II narcotic drugs and other specified CDS)	Maximum penalty of 5 years imprisonment and/or \$15,000 fine
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Repeat Offender – CDS (other than Schedule I or II narcotic drugs and other specified CDS)	2-year mandatory minimum sentence Maximum penalty of 5 years imprisonment and/or \$15,000 fine
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CDS (Schedule I or II Narcotic Drug)

First-time Offender – Schedule I or II narcotic drug	Maximum penalty of 20 years imprisonment and/or \$25,000 fine
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Second-time Offender – Schedule I or II narcotic drug	10-year mandatory minimum sentence (20 years maximum imprisonment) and a fine of up to \$100,000
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Third-time Offender – Schedule I or II narcotic drug	25-year mandatory minimum sentence and a fine of up to \$100,000
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Fourth-time Offender – Schedule I or II narcotic drug	40-year mandatory minimum sentence and a fine of up to \$100,000
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CDS (Specified Drugs)

First-time Offender – Specified Drugs	Maximum penalty of 20 years imprisonment and/or a fine of up to \$20,000
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Second-time Offender – Specified Drugs	10-year mandatory minimum sentence (20 years maximum imprisonment) and a fine of up to \$100,000
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Third-time Offender – Specified Drugs	25-year mandatory minimum sentence and a fine of up to \$100,000
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Fourth-time Offender – Specified Drugs	40-year mandatory minimum sentence and a fine of up to \$100,000
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Note: All mandatory minimum sentences listed in the exhibit are nonsuspendable and nonparolable.

Source: Department of Legislative Services
