

Fiscal Note

Fiscal Services Division



[HF 2462](#) – Heroin Penalties (LSB5445HV)

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Fiscal Note Version – New

Description

[House File 2462](#) increases the penalties associated with the manufacture, delivery, or possession with the intent to manufacture or deliver heroin to the following levels:

- More than 100 grams is a Class B felony, punishable by confinement for no more than 50 years and a fine of not more than \$1.0 million.
- More than 5 grams but not more than 100 grams is a Class B felony, punishable by confinement for no more than 25 years and a fine of no more than \$100,000.
- Five grams or less is a Class C felony, punishable by confinement for no more than 10 years and a fine of not less than \$1,370 nor more than \$50,000.

Background

Currently, the punishments for the manufacture, delivery, or possession with the intent to manufacture or deliver heroin are as follows:

- More than 1 kilogram is a Class B felony, punishable by confinement for no more than 50 years and a fine of not more than \$1.0 million under Iowa Code section [124.401](#)(1)(a)(1).
- More than 100 grams but not more than 1 kilogram is a Class B felony, punishable by confinement for no more than 25 years and a fine of no more than \$100,000 under Iowa Code section [124.401](#)(1)(b)(1).
- 100 grams or less is a Class C felony, punishable by confinement for no more than 10 years and a fine of not less than \$1,370 nor more than \$50,000 under Iowa Code section [124.401](#)(1)(c)(1).

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends, prisoner length of stay (LOS), revocation rates, plea bargaining, and other criminal justice system policies and practices.
- A lag effect of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- Changes in the offense class of the number of convictions will be proportional to changes in the offense class of the number of prison admissions.

Correctional Impact

House File 2462 increases the penalties associated with the manufacture, delivery, or possession with the intent to manufacture or deliver heroin. The estimated correctional impact of the Bill is shown in **Table 1**. Also, persons convicted would face a mandatory minimum sentence of at least one-third or up to one-half of their sentence.

Table 1 — HF 2462, Correctional Impact

Code Section	Offense Class	Length of Stay (Months)	FY 2021 Convictions	Estimated Change in Convictions Starting in FY 2023	FY 2021 Prison Admissions	Change in Prison Admissions Starting in FY 2023
124.401(1)(a)(1)	B Felony	41	0	0	0	0
124.401(1)(b)(1)	B Felony	41	0	12	0	3
124.401(1)(c)(1)	C Felony	17.9	27	-12	7	-3

Prison admission data reflects the most serious offense of which an individual was convicted. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 18, 2022, for information related to the correctional system.

Minority Impact

Minority data related to convictions and prison admissions under Iowa Code section 124.401(1)(c)(1) for FY 2021 is shown in **Table 2**. Of the current active offenders, 12 of those convicted in FY 2021 are Caucasian, 12 are African American, and three are listed in the “unknown” category (**Table 2**). The Bill could have a disproportionate or negative impact on the African American community as 12 of the 27 (44.4%) convicted offenders were African American. The U.S. Census estimate as of July 2020 states that the Iowa population was 3.9% African American. The Bill also extends the LOS for convicted offenders. Based on the current prison admission data, which shows that six of the seven offenders admitted under a Class C felony offense were African American or Hispanic, the Bill could have a disproportional or negative impact on minorities. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 18, 2022, for information related to minorities in the criminal justice system.

Table 2 — Minority Impact Under Iowa Code Section 124.401(1)(c)(1)

Race	Population of Iowa	FY 2021 Convictions	FY 2021 Prison Admissions
Caucasian	85.3%	12	1
African American	3.9%	12	5
Hispanic	6.2%	0	1
Unknown	N/A	3	0

Fiscal Impact

As shown in **Table 3**, [HF 2462](#) is estimated to increase annual costs to the justice system by approximately \$105,000. The estimated impact to the State General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the Department of Corrections.

Table 3 — HF 2462, Estimated Cost

Code Section	Offense Class	Changes in Cost				Total Costs By Offense
		Judicial Branch	State Public Defender	Department of Corrections	Parole	
124.401(1)(a)(1)	B Felony	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
124.401(1)(b)(1)	B Felony	43,000	48,000	87,000	41,000	219,000
124.401(1)(c)(1)	C Felony	-29,000	-24,000	-38,000	-24,000	-115,000
Total						\$ 104,000

Sources

Criminal and Juvenile Justice Planning Division, Department of Human Rights
Department of Corrections

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The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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