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FILE WITH ABID

BILL SHEFFIELD, GOVERNOR

DEPARTMENT OF PUBLIC SAFETY  
OFFICE OF THE COMMISSIONER

POUCH N  
JUNEAU, ALASKA 99811  
PHONE:

March 8, 1983

Representative Al Adams  
Pouch V  
Juneau, Alaska 99811

Dear Representative Adams:

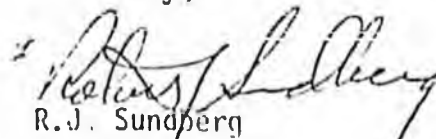
I have been asked to forward this letter to you expanding on our explanation of the need for CSSSHB 10 (Jud). In brief, this proposed legislation would prohibit the sale of "lookalike" imitation drugs in the state. While this may seem to be a trivial matter at first glance, let me assure you that passage of this measure will have a substantial impact upon the violent crimes that are associated with the drug culture.

Imitation drugs are designed to resemble or duplicate the appearance of brand name amphetamines, barbiturates, tranquilizers and narcotic pain killers. On the street, they are known and sold under the same names as their dangerous drug counterparts: Black Beauties, Dexies, Yellows, Christmas Trees and Rainbows. The imitations, however, contain non-controlled substances such as caffeine, ephedrine and other over-the-counter drugs. Violence often occurs when a buyer discovers that the drugs he has purchased are fake and simply, revenge is sought. Other problems involve the use of imitations to initiate juveniles into the drug culture. Another related problem involves a user who has become accustomed to ingesting imitation drugs and then receives the same dosage of the real drug. Such cases often result in fatalities.

In all of these cases the pushers are immune from the efforts of the law enforcement community from having an impact because these imitation drugs are not "controlled substances" under present statutes. If this bill is passed, we will be able to remove these individuals and their tools from having such a negative impact upon the citizens of our state.

Please do not hesitate to contact me again if you have any questions or comments concerning this topic.

Sincerely,

  
R.J. Sundberg  
Commissioner

FILE WITH PHOTO  
Alaska State Legislature

SENATOR  
ROBERT H. ZIEGLER, SR.  
307 BAWDEN STREET  
KETCHIKAN, ALASKA 99901

While in Juneau  
POUCH V  
JUNEAU, ALASKA 99811



Senate

VICE CHAIRMAN  
SENATE RESOURCES COMMITTEE  
MEMBER  
SENATE JUDICIARY COMMITTEE  
WESTERN STATES LEGISLATIVE  
FORESTRY TASK FORCE  
WESTERN CONFERENCE COUNCIL  
OF STATE GOVERNMENTS

May 30, 1983

Senator Bill Ray,  
Chairman  
Senate Judiciary Committee  
Alaska State Legislature  
Juneau, Alaska

Re: CSSSHB 10(Jud)

Dear Senator Ray:

The captioned bill relates to imitation controlled substances. It adds a new chapter to AS 11, the criminal code.

Section 11.73.010 provides that a person may not manufacture, deliver or possess, with intent to deliver, an imitation controlled substance. A conviction obtained under this section is a Class C felony (maximum five years, \$50,000 fine).

Section 11.73.020 provides that a person may not possess certain enumerated substances or their salts with the intent to manufacture an imitation controlled substance. Conviction under this section is likewise a Class C felony.

Section 11.73.030 provides that a person over 19 may not deliver an imitation controlled substance to a minor who is under 19 and is at least three years younger than the person delivering the substance. Here, conviction is a Class B felony (maximum 10 years and \$50,000 fine).

Section 11.73.040 prohibits knowingly advertising of any kind, for the sale of an imitation controlled substance to be delivered in the state. Conviction here is a Class C felony.

Section 11.73.050 authorizes the use of placebos if prescribed by a registered practitioner in the course of professional practice or research.

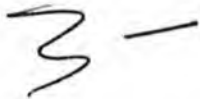
Section 11.73.060 authorizes forfeiture of property used during or in aid of violations of this chapter and further provides that "controlled substance" shall be construed as "imitation controlled substance."

The definition section is self-explanatory.

Senator Bill Ray  
Re: CSSSHB 10(Jud)  
May 30, 1983

There is a great deal of agitation throughout the state for the enactment of this bill; as far as I am concerned, I can see nothing wrong with the bill.

Very truly yours,

A handwritten signature in black ink, appearing to be "R. H. Ziegler, Sr." with a stylized flourish at the end.

Robert H. Ziegler, Sr.

RHZ:lk

HB 10 HOUSE ACTION  
 DATE SEQ PAGE

14:19 6/21/83 PAGE 2 OF 3

LEGISLATIVE ACTION

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 02/11/83 01 0225 FIRST READING -- COMMITTEE REPORTS  
 02/13/83 02 0321 JUD -- ONP01, CS05  
 02/23/83 03 0321 JUD CMTE ZERO FISCAL NOTE  
 03/14/83 04 0474 FIN -- JUD CS07, NR03  
 03/14/83 05 0474 FIN F/NOTES HSE SUPPL #24  
 03/18/83 06 0550 SECOND READING  
 03/18/83 07 0550 JUD CS ADOPTED BY UNAN CONSENT  
 03/18/83 08 0551 AM01 WITHDRAWN  
 03/18/83 09 0555 AM01 NOT ADOPTED BY DIV 11-21-08  
 03/18/83 10 0556 AM02 NOT ADOPTED BY DIV 09-22-09  
 03/18/83 11 0557 AM03 NOT ADOPTED BY DIV 10-22-08  
 03/18/83 12 0558 AM04 NOT ADOPTED BY DIV 10-22-08  
 03/18/83 13 0559 FAILED TO ADV 3RD READING BY DIV 21-11-08  
 03/21/83 14 0579 THIRD READING  
 03/21/83 15 0580 PASSED BY DIV 34-03-03  
 03/21/83 16 0580 NOTICE OF RECONSIDERATION GIVEN  
 03/23/83 17 0617 RECONSIDERATION NOT TAKEN UP  
 06/15/83 26 1729 TRANSMITTED TO GOVERNOR  
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HB 10 SENATE ACTION  
 DATE SEQ PAGE

14:22 6/21/83 PAGE 3 OF 3

LEGISLATIVE ACTION

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 03/24/83 18 0482 FIRST READING -- COMMITTEE REPORTS  
 05/26/83 19 1122 HESS -- DR04  
 06/06/83 20 1213 JUD -- DR04  
 06/14/83 21 1299 RLS -- OTHER03  
 TAKEN UP IMMEDIATELY  
 06/14/83 22 1300 SECOND READING  
 06/14/83 23 1300 ADVANCED TO 3RD READING BY UNAN CONSENT  
 06/14/83 24 1300 THIRD READING  
 06/14/83 25 1301 PASSED BY DIV 17-03-00  
 \*\*\*\* \*\* \*\*  
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# 'Look-alike' drugs can lead to violence, trooper testifies

by Harry McFarland  
Associated Press

2-2-83

Juneau — When the buyer discovered he had been sold imitation drugs, he grabbed a gun, went back to the seller's home and shot him.

That is an example of the violence that imitation drugs, or "look-alikes," can cause on the streets, said Alaska State Trooper Lt. Roger McCoy during testimony on a bill to outlaw their sale in the state.

"Look-alikes" are designed to resemble or duplicate the appearance of brand name amphetamines, barbituates, tranquilizers and narcotic pain killers. On the streets, they are known and sold by the same names as their drug counterparts: Black Beauties, Dexies, Yellows, Christmas Trees and Rainbows.

"Look-alikes," though, contain non-controlled substances such as caffeine, ephedrine and other over-the-counter drugs.

The bogus drugs are showing up in Alaska in large quantities, said Anchorage Police Department Lt. Ron Needham.

"I have seen bags with the sum of 100,000 dosage units," Needham said from Anchorage via the state teleconference system. "I have

seen bags with 500,000, a half a million, dosage units."

The state has seen an increase in cases involving the look-alikes, McCoy said. In 1981, troopers had 95 cases involving the imitation drugs. Last year, they had 214 cases.

McCoy gave three reasons for the bill's passage: the potential of violence, the potential of overdose and the potential that juveniles will be introduced into the drug culture, McCoy said.

While the drugs are not physically addicting, they can be psychologically so, the policemen said.

Imitation drugs are very profitable, McCoy said. They sell for the same price as their real counter-

parts. A bag of speed will sell for \$200 to \$300. So will the fake stuff.

The difference is that the fake costs substantially less to manufacture, McCoy said. A tablet that sells for \$3 to \$5 dollars may only cost three cents to make.

Needham said 90 percent of the drugs sold on the street in Anchorage are imitations.

Rhonda Butterfield, assistant attorney general with Special Prosecution and Appeals, said there is a need for the legislation as only two ways currently exist to prosecute sellers of imitation drugs.

The first is to charge a seller with attempting to commit a crime; the other, charge the seller with theft by deception.

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: CS SS HB 10 (JUD) Date on Bill: 2-23-83  
 Title: "An Act Relating to imitation controlled substances"  
 Sponsor: abood, etc.  
 Requestor: HOUSE JUDICIARY

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
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2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

No Fiscal Impact

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Francis C. Allan Phone: 269-5691  
 Division: Alaska State Troopers Date: 3-2-83

Approved by Commissioner: *[Signature]* Date: 2/18/83  
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to CMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA  
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: CS for SS for H.B. No. 10 Date on Bill: February 23, 1983  
 Title: "An Act relating to imitation controlled substances."  
 Sponsor: Judiciary Committee  
 Requestor: House Judiciary Committee

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
Capital		730.0	-0-	-0-		
Operating		13.9	122.4	129.8		
Total	-0-	743.9	122.4	129.8		

b. Revenues:

Revenue	-0-	-0-	-0-	-0-		
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2. Source of funds to offset fiscal impact of bill:

The source of funds to implement this bill has not been identified by the sponsors.

3. Assumptions:

- A. Estimated arrest and conviction information was gathered from the Department of Law and the Alaska Judicial Council statistics. They estimate that there would annually be five convictions resulting in prison terms for Class B and Class C felonies. Class A misdemeanors have been omitted in the committee substitute.
- B. It is assumed that all convictions are of first time offenders.
- C. The following table displays data regarding additional bed needs with enactment of HB 10:

Prepared By: Roger C. Lange *Roger C. Lange* Phone: 465-3376  
 Division: Division of Adult Corrections Date: \_\_\_\_\_  
 Approved by Commissioner: [Signature] Date: 3/10/83  
 Department: HEALTH & SOCIAL SERVICES

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

<u>Class of Offense</u>	<u>Expected # of Convictions</u>	<u>% &amp; # to Jail</u>	<u>Avg. Sentence Length</u>	<u>Flat Years</u>	<u>Person Years</u>
B Felony	1	50% / .5	2.5 Yr.	1.9	.95
C Felony	<u>23</u>	<u>20% / 4.6</u>	1.09 Yr.	.82	<u>3.77</u>
	24	5.1			4.72

Therefore, 4.72 beds would be needed. For purposes of this fiscal note, this was rounded to the nearest whole number resulting in 5 new beds identified as being required.

D. Cost Estimates:

1. Capital Expenditures

It is assumed that medium security beds would be the appropriate classification. It is estimated that construction costs for this type of bed will be approximately \$146,000 per bed. Therefore, capital expenditures would be:

$$5 \times \$146,000 = \$730,000$$

2. Personal Services

It is assumed that these 5 beds would be combined with other construction where staff will be identified. It is estimated two staff positions will be required to provide security and supervision for the additional inmates.

3. Other Costs

Other costs identified reflect only food, clothing, bedding, and medical services necessary to meet the physical care and medical needs of the projected inmate increase.

4. Inflation of 6% per year was used for projecting cost after FY 1985, the year in which the total bed impact would be experienced.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It does not represent the policy of the Sheffield Administration or the final estimate of fiscal impact.

POSITION PAPER

HOUSE BILL 10

"An act relating to imitation controlled substances."

The Department of Health and Social Services is supportive of this legislation.

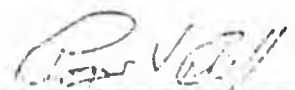
Data is not available on the use or distribution of imitation controlled substances also known as "look-alikes." Look-alikes are generally sold as purporting to be depressants or stimulants that normally would require prescriptions. These look-alikes are also sometimes advertised as diet aids or sleep aids.

Products sold over the counter containing caffeine (No-Doz etc.) are sometimes sold as amphetamines (uppers). This is one example of selling an imitation controlled substance.

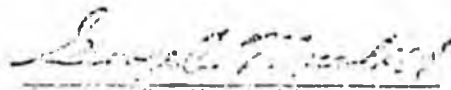
To manufacture or sell a product by misrepresenting its contents should not be acceptable. The public health and safety risk related to misrepresented drugs can be numerous. Use of drugs (legal by prescription or over-the-counter) not in accordance with medically recommended dosage can lead to health problems. Overdose, unexpected reactions or actions and/or allergic reactions may be a few of the problems.

One possible major problem is the use of a look-alike may lead a person to take increased dosage to achieve an effect. To a careless, inexperienced or naive user the use of the "real" product after use of an imitation could result in unintentional overdose.

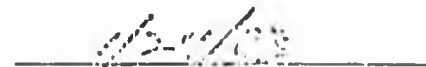
HB 10 could be one mechanism to help prevent such problems and to make persons aware of the dangers of such actions.

  
Roger Endell, Director  
Division of Adult Corrections

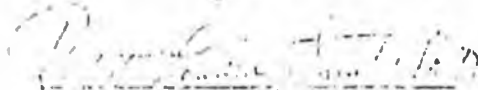
Recommended by:

  
George E. Bunnell  
Acting Coordinator  
Office of Alcoholism/  
Drug Abuse

Date:



Approved by:

  
Robert Gordon Smith, Ph.D.  
Commissioner  
Dept. of Health &  
Social Services

Date:





# Trafficking in Look-Alikes ; an Update

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## Trafficking in Look-Alikes; an Update

Recent federal and state actions have seriously affected the rampant trafficking in look-alikes that has been sweeping the country. Look-alike distributors, who began assaulting the nation with a blizzard of capsules and tablets early in 1980, and the manufacturers who supply them have been dealt a series of regulatory setbacks that may portend an end to this multi-million dollar industry.

Look-alikes are carefully designed to resemble or duplicate the appearance of brand name amphetamines, barbiturates, tranquilizers, and narcotic pain killers in both capsule and tablet form. On the street, they are known by the same names as their dangerous drugs counterparts: Black Beauties, Dexies, Yellows, Christmas Trees, and Rainbows. But look-alikes contain only non-controlled substances such as caffeine, ephedrine, phenylpropylamine, acetaminophen, and other over-the-counter non-prescription drugs.

As the number of mail order and storefront wholesale distributors grew from a mere handful in early 1980 to more than 150 outlets by November of 1981, the production of look-alikes was reported to have soared to 30 million dosage units per week. During the past year and a half, the look-alike industry has flooded the nation's campuses and schoolyards with hundreds of millions of these pills. Intelligence derived from local police agencies, hospital emergency rooms, and medical examiners reveals widespread abuse, especially among teen-agers and college age youths.

In marked contrast to the methods used by illicit drug traffickers, look-alike distributors have conducted extensive advertising campaigns claiming their products to be both safe and legal. They have utilized full color brochures, magazine ads, highway billboards, and even television spots designed to appeal to teen-agers and young adults. Using commercial mailing lists, distributors have mailed colorful business cards directly to young recipients.

The easy availability of look-alikes has encouraged a climate of acceptance among many teen-agers and has conditioned them to the daily trafficking, handling, and consumption of these "pharmaceutical stimulants." In many places, look-alikes have become as much a part of the drug culture as the shopping center head shop and the paraphernalia vendor.

As the abuse of look-alikes grew, the public health dangers of these substances quickly became apparent. It is obvious that the young consumer who thinks that he has been purchasing "speed" or "ludes" and has become used to taking several look-alike

capsules or tablets at a time in order to "get the full effect" runs the risk of serious overdose or death if one day he ingests the same number of real controlled substances. In addition to this danger, the look-alikes, themselves, can have serious damaging effects. The number of emergency room incidents attributable to these drugs has risen dramatically in the past year. More than a dozen deaths caused by look-alikes have been reported from around the country. More deaths from caffeine overdose and emergency room hypertensive incidents from severe reactions to phenylpropanolamine may have occurred but have gone unreported.

Although trafficking in look-alikes is not prohibited by the federal Controlled Substances Act, the Drug Enforcement Administration considers that the distribution and sale of look-alikes, as of drug paraphernalia, encourages and contributes to drug abuse and drug profiteering. The look-alike problem is one more facet of the nation-wide drug abuse problem. For these reasons; the DEA has undertaken a six-point program against look-alikes. Briefly stated, the six points are:

1. Drafting of a Model Imitation Controlled Substances Act<sup>1</sup> for concerned states to adopt.
2. Preparation of documentation describing the problem, distribution patterns and practices, and other information to be used in support of the Model Act.
3. Fostering intergovernmental agency cooperation and providing active support to other agency efforts.
4. Enlisting the support and voluntary cooperation of the legitimate pharmaceutical industry.
5. Publicizing the DEA initiative and encouraging the support of parent and community groups.
6. Targetting of states heavily involved in look-alike distribution and manufacture to encourage legislative action.

More than a dozen states have enacted or are considering legislation targetted against the manufacture and distribution of look-alikes. States with legislation now on the books include Arkansas, Colorado, Connecticut, Delaware, Florida, Indiana, Kansas, Louisiana, Maryland, North Carolina, Oklahoma, Oregon, and South Dakota. Some cities, such as Independence, Missouri, have passed local ordinances prohibiting storefront look-alike sales. In other state action, the Attorney General of Illinois has filed complaints against 39 look-alike distributors. To date, he has obtained verbal agreements from 15 distributors to cease and desist selling in the State of Illinois and he has obtained temporary restraining orders against three others.

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<sup>1</sup>Copies are available upon request from the Dangerous Drugs Section, Office of Intelligence, Headquarters, DEA.

202) 233-1263

The legitimate pharmaceutical industry also has been cooperating in efforts to eliminate the look-alike problem. The Eli Lilly Company, one of the largest manufacturers of gelatin capsules, has, since July 1981, refused to sell capsules to look-alike manufacturers. Other capsule manufacturers also have indicated a willingness to cooperate in this effort. The resulting lack of capsules already has begun to affect the look-alike distribution chain and some distributors say they can no longer obtain "Yellows" and "Black Beauties."

Recent actions by federal government agencies are having salutary effects on the problem too. During the past several months, the U. S. Postal Service has filed complaints against 39 look-alike distributors. To date, the Postal Service has concluded consent agreements with nine distributors and has obtained False Representation Orders against nine others. The False Representation Orders require postmasters to stop the delivery of all mail to the subject distributors.

The most significant federal action yet taken occurred on September 30, 1981, when the Food and Drug Administration filed counterfeiting and mis-labeling complaints against nine manufacturers of look-alike drugs. With the assistance of U. S. Marshalls in five states, seizures of equipment, materials, and finished products were effected at the following locations:

BT Pharmaceuticals, Inc.  
Tampa, Florida

Pharmadose, Inc.  
Bohemia, New York

Frye Pharmaceuticals, Inc.  
Birmingham, Alabama

Standard Pharmacal Corp.  
Elgin, Illinois

Jerome Stevens Pharmaceuticals, Inc.  
Central Islip, New York

LNK International, Inc.  
Hauppauge, New York

Valley Run Pharmaceutical  
Milroy, Pennsylvania

VIP Pharmaceuticals, Inc.  
Pearl River, New York

Newtron, Pharmaceuticals, Inc.  
Coram, New York

An inventory of seized items includes: 15 million filled capsules, 800,000 tablets, 20 million empty capsules, and over one million dollars worth of equipment including offset rollers, capsule printers, tablet punches and dies, and tablet presses. The FDA felt that its case against a tenth manufacturer, Ketchum Laboratories of Amityville, New York, was inadequate to support any enforcement action at that time.

As a result of the FDA actions, one of the manufacturers has already signed a consent agreement to cease and desist production of look-alikes, and two more companies are also negotiating consent agreements. Information on responses by the other manufacturers was unavailable as of the date of this report.