

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2627 - A

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Requires Oregon Health Authority to contract with at least four Recovery Community Organizations in four different counties.

Government Unit(s) Affected:

Oregon Liquor Control Commission (OLCC), Oregon Health Authority (OHA)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Summary of Expenditure Impact:

	2019-21 Biennium	2021-23 Biennium
Other Funds - Oregon Marijuana Account		
Personal Services	148,551	198,067
Services and Supplies	32,231	39,470
Special Payments	4,819,218	4,762,463
Total Other Funds	\$5,000,000	\$5,000,000
Positions	1	1
FTE	0.75	1.00

Analysis:

HB 2627 directs the Oregon Health Authority (OHA) to contract with at least four non-governmental recovery community organizations to operate four recovery community centers in four different counties. The measure requires OHA to appoint a full-time Recovery Advocate to develop and maintain the network of recovery community organizations. The Alcohol and Drug Policy Commission must adopt criteria for the selection of locations and recovery community organizations. In addition, the measure modifies statutes relating to the Oregon Marijuana Account to stipulate that the lesser of \$5 million or 5% of the account must be used for the recovery community centers program.

OHA estimates the fiscal impact of this measure to be \$5,000,000 Other Funds per biennium. Based on the Oregon Economic and Revenue Forecast dated March 2019, \$5 million is the lesser of \$5 million or 5% of the moneys allocated to the Marijuana Account. Personal services and related services and supplies reflect the cost of one Operations and Policy Analyst 3 position to serve as the Recovery Advocate charged with developing and maintaining the network of recovery community organizations. OHA anticipates disbursing approximately \$4.8 million to at least four recovery community centers.

Note that the bill requires OHA to expend the lesser of \$5 million or 5% of the moneys allocated to the Marijuana Account on recovery community centers. Under current law, moneys in the Marijuana Account are allocated:

- 10% to cities
- 10% to counties
- 40% to the State School Fund;
- 20% to the Mental Health Alcoholism and Drug Services Account
- 15% to the State Police Account

- 5% to alcohol and drug abuse prevention, early intervention and treatment services

OHA currently use this 5% to distribute to counties and tribes to support non-Medicaid substance use disorders prevention and treatment programs. This bill will divert funds from these programs, reducing support to counties and tribes.

The Oregon Liquor Control Commission (OLCC) anticipates no fiscal impact as a result of this measure.