

FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 4137 - A3

79th Oregon Legislative Assembly – 2018 Regular Session
Legislative Fiscal Office*Only Impacts on Original or Engrossed
Versions are Considered Official*Prepared by: Kim To
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Date: 2/27/2018**Measure Description:**

Requires Alcohol and Drug Policy Commission to report to interim committees of Legislative Assembly, no later than September 15, 2018, its comprehensive addiction, prevention, treatment and recovery plan.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Department of Humans Services (DHS), Department of Justice (DOJ), Department of Corrections (DOC), Department of Education (DOE), Criminal Justice Commission (CJC), Oregon State Police (OSP), Oregon Youth Authority (OYA)

Summary of Expenditure Impact - OHA:

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

	2017-19 Biennium	2019-21 Biennium
Health Policy & Analytics		
Personal Services		188,290
Services & Supplies		37,377
Total Health Policy & Analytics		225,667
Positions		1
FTE		1.00
Health System Division - ADPC		
Personal Services	31,382	538,114
Services & Supplies	14,820	128,300
Total Health System Division - ADPC	46,202	666,414
Positions	1	4
FTE	0.17	3.00
TOTAL FISCAL IMPACT		
Personal Services	31,382	726,404
Services & Supplies	14,820	165,677
TOTAL GENERAL FUND	\$46,202	\$892,081
Positions	1	5
FTE	0.17	4.00

Analysis:

HB 4137 with the -A3 amendment authorizes the Director of the Alcohol and Drug Policy Commission (ADPC) to appoint employees to carry out the Commission's charge to improve the effectiveness and efficiency of state and local alcohol and drug abuse prevention and treatment services. The bill authorizes ADPC to conduct studies in collaboration with other state agencies, and apply for grants from public and private sources. The bill directs the ADPC Director to enter into agreements with the Oregon Health Authority (OHA), the Department of Justice (DOJ), and the Department of Human Services (DHS) to share information necessary to carry out the charge of ADPC. The bill requires ADPC to:

1. Develop preliminary recommendations for the scope and framework of a comprehensive addiction, prevention, treatment and recovery plan for the state, by September 15, 2018;
2. Complete the comprehensive addiction, prevention, treatment and recovery plan by July 1, 2020,
3. Incorporate the preliminary recommendations into a request for proposals by November 1, 2018;
4. Report these preliminary recommendations and the status of the request for proposal to an interim committee of the legislature by December 31, 2018;

Note that the bill requires ADPC to incorporate preliminary recommendations into a request for proposals by November 1, 2018, and report on the preliminary recommendations and status of the request for proposal to the legislature by December 31, 2018, but does not require ADPC to complete developing the comprehensive plan until July 1, 2020.

The comprehensive addiction, prevention, treatment, and recovery plan that must include recommendations regarding:

1. Capacity, type and utilization of programs;
2. Methods to assess the effectiveness and performance of programs;
3. The best use of existing programs;
4. Budget policy priorities for participating state agencies;
5. Standards for licensing programs;
6. Minimum standards for contracting for, providing and coordinating alcohol and drug abuse prevention and treatment services among programs that use federal, private or state funds administered by the state; and
7. The most effective and efficient use of participating state agency resources to support programs.

ADPC must review and update this plan by July 1st of each even numbered year, beginning July 1, 2020.

In addition, the bill requires OHA to align its substance abuse prevention and treatment activities with this plan.

Oregon Health Authority (OHA)

OHA estimates the fiscal impact of complying with the provisions of this bill to be \$46,202, General Fund, 1 position, 0.17 FTE for the 2017-19 biennium; and \$892,081 General Fund, 5 positions, 4.00 FTE for the 2019-21 biennium.

The bill authorizes the ADPC director to appoint employees to carry out the Commission's charge to improve the effectiveness and efficiency of state and local alcohol and drug abuse prevention and treatment services. Currently, the ADPC budget resides in the OHA Health Systems Division (HSD). The existing ADPC director will depend on existing OHA staff and resources to develop the preliminary recommendations and request for proposals, as well as to report to the legislature by December 31, 2018. After this preliminary work, OHA estimates the staffing cost for ADPC to be \$46,202 General Fund, 1 position, 0.17 FTE for the 2017-19 biennium; and \$666,414 General Fund, 4 positions, 3.00 FTE for the 2019-21 biennium. These amounts do not include the costs of contracts in response to the request for proposals. These amounts reflect Personal Services and related Services & Supplies costs for the following four positions:

- one full-time Operations and Policy Analyst 3 to work with stakeholders in developing the comprehensive plan, including working with the ADPC and its steering and subcommittees. This position would start March 1, 2019.
- one part-time Operations and Policy Analyst 2 to identify and apply for grants. This position would start July 1, 2019.
- one part-time Information Systems Specialist 8 to provide information technology support. This position would start July 1, 2019.
- one full-time Executive Support Specialist 1 to provide administrative support. This position would start July 1, 2019.

In addition, in order to coordinate efforts with ADPC, OHA anticipates establishing one Research Analyst 4 position, starting July 1, 2019, to conduct literature reviews, collect and analyze data, research best practices, as well as to manage administrative rule changes and contracts. The Personal Services and related Services & Supplies costs of this position is estimated at \$225,667 General Fund, 1 position, 1.00 FTE for the 2019-21 biennium.

Department of Human Services (DHS), Department of Justice (DOJ), Department of Corrections (DOC), Department of Education (DOE), Criminal Justice Commission (CJC), Oregon State Police (OSP), Oregon Youth Authority (OYA)

The fiscal impact of this bill on the DHS, DOJ, DOC, DOE, CJC, OSP, and OYA is anticipated to be minimal. These agencies will use existing resources to collaborate with ADPC.