

HB 3377 -3, -4, -5 STAFF MEASURE SUMMARY

House Committee On Behavioral Health

Prepared By: Zoe Larmer, LPRO Analyst

Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 3/22, 4/7

WHAT THE MEASURE DOES:

Establishes the Addiction Crisis Recovery Fund to be used at the direction of the Alcohol and Drug Policy Commission (ADPC) in alignment with the ADPC's biennial strategic plan recommendations. Prescribes use of fund. Establishes the Office of Intervention and Engagement in the Oregon Health Authority (OHA) to oversee the expansion of substance use disorder (SUD) treatment and peer services in primary care settings, hospitals, and educational facilities. Establishes the Office of Behavioral Workforce Development in OHA to oversee retention and expansion of recovery workforce. Directs OHA to adopt rules requiring hospitals to provide 24 hour access to certified alcohol and drug counselors and peer mentors, and medical management of withdrawal for patients. Specifies that OHA must ensure that at least 30 percent of addiction treatment providers have capacity and expertise to provide mental health services to provide services to clients with co-occurring mental health and SUD. Requires OHA to increase payments for reimbursement to addiction treatment providers for services provided to medical assistance recipients. Directs ADPC to establish minimum level of payments by OHA or coordinated care organizations to addiction treatment providers. Directs OHA to study optimum minimum pricing of malt beverages, wine and cider to allow consumer access and discourage overconsumption. Requires OHA to report finding to legislature by November 30, 2021. Sunsets January 1, 2022. Declares emergency, effective on passage.

REVENUE: *No revenue impact*

FISCAL: *Fiscal impact issued*

ISSUES DISCUSSED:

- Potential amendment to replace measure with task force
- HB 3296 (2021)
- Need for addiction recovery services in Oregon
- History of alcohol tax in Oregon

EFFECT OF AMENDMENT:

-3 Replaces measure. Establishes the Task Force on Substance Use. Specifies goal of fully funding the addiction, prevention, and recovery plan for the Alcohol and Drug Policy Commission through tax and pricing mechanisms to establish a pricing a tax structure to reduce underage drinking by 25 percent and binge drinking by 20 percent. Specifies goal of establishing a pricing. Sunsets December 31, 2022. Declares emergency, effective on passage.

-4 Corrects typo in -3 amendment.

-5 Replaces measure. Establishes the Task Force on Substance Use. Specifies goal of fully funding the addiction, prevention, and recovery plan for the Alcohol and Drug Policy Commission through new and existing tax and pricing mechanisms. Directs Task Force to employ racial equity and socioeconomic criteria and consider the impact of lack of access and excessive alcohol consumption on low-income, BIPOC, and tribal communities. Directs Task Force to evaluate existing revenue from alcohol taxes and consider impacts of different revenue approaches on small craft breweries, wineries, and distilleries. Sunsets December 31, 2022. Declares emergency, effective on passage.

BACKGROUND:

In 2017, 1,923 Oregonians (40 per 100,000 population) died from alcohol-related causes, which 34% increase in the overall rate of alcohol-related deaths since 2001. Currently malt beverages are taxed at a rate of \$2.61 per 31 gallon barrel.

House Bill 3377 establishes the Addiction Crisis Recovery Fund and other programs to address substance use disorders.