

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 3111**81st Oregon Legislative Assembly – 2021 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 accordance with criteria adopted by Alcohol and Drug Policy Commission, to operate four recovery community centers in four different counties.

**Government Unit(s) Affected:**

Counties, Oregon Health Authority (OHA)

**Summary of Fiscal Impact:**

Costs related to the measure are indeterminate at this time - See explanatory analysis.

**Analysis:**

HB 3111 directs the Oregon Health Authority (OHA) to contract with at least four Recovery Community Organizations to operate four recovery community centers in different counties. Recovery community centers are defined as a physical space in which peer recovery support is provided by a Recovery Community Organization, which is a tax-exempt entity managed by individuals who are in recovery from substance use disorders that offers peer recovery support. Under this measure, each recovery community center must provide culturally relevant peer recovery support; a telephone line and online chat with 24-hour access to peer recovery support; in-person peer recovery support for 12 hours a day; and other forms of recovery support that provide multiple pathways to recovery. Centers must be established and operational no later than January 1, 2022.

Each Recovery Community Organization is directed to conform to certain operational requirements. Organizations must enter into a memorandum of understanding with all residential and outpatient substance use disorder treatment providers located in their respective county to connect with individuals completing treatment; and they may use an existing nonprofit organization as a fiscal sponsor.

OHA is directed to appoint a full-time Recovery Manager who will be responsible for creating and managing peer recovery support, including development and maintenance of Recovery Community Organizations.

The Alcohol and Drug Policy Commission (ADPC) is to adopt criteria for selection of locations and local partners of Recovery Community Organizations, and annual performance goals for Organizations. OHA is to report to the ADPC on achievement of the performance goals.

To fund its provisions, the measure reprioritizes the current five percent state program distribution from the Oregon Marijuana Account to OHA for alcohol and drug abuse prevention, early intervention and treatment services. The measure requires OHA to use \$150,000 from these funds for outreach to individuals in rural areas and to connect them with peer recovery support and telemedicine platforms. The remaining amount from the five percent of Oregon Marijuana Account funds is required to support the other elements of the measure.

This measure takes effect on the 91st day after the Legislative Assembly adjourns sine die.

## **Oregon Health Authority**

Subsequent to the passage of Ballot Measure 110 (2020), the five percent state program distribution from the Oregon Marijuana Account for alcohol and drug abuse prevention, early intervention and treatment services is capped at an estimated \$4.5 million per biennium. Based on the effective date of the measure, \$3.9 million in marijuana revenue will be reprioritized for the costs of this measure in 2021-23 and \$4.5 million for full biennial costs in 2023-25.

In addition to the \$150,000 required for outreach to rural areas to offer peer recovery support services, the following represent OHA's estimates for the remaining cost categories related to this measure:

- *Recovery Community Organizations:* Operation of the four Recovery Community Organizations is estimated to cost \$6,855,000 in 2021-23 and \$9,140,000 in 2023-25.
- *Telephone support line:* The 24-hour support line is estimated to cost \$675,000 in 2021-23 and \$900,000 in 2023-25.
- *Recovery Manager:* The new Recovery Manager position created by this measure is envisioned as an Operations and Policy Analyst 4, and has an estimated cost of \$263,552 in 2021-23 and \$286,458 in 2023-25, including position-related Services and Supplies.

While the cost estimates provided by OHA surpass the amount of available projected revenue from the reprioritized Oregon Marijuana Account distribution, the level of funding for Recovery Community Organizations could potentially be scalable. Additionally, it is not clear if these organizations are meant to replace currently offered services or expand existing services, such as those offered by forthcoming Addiction Recovery Centers and 24-hour telephone peer support services required under Ballot Measure 110.

Depending on the level of scalability or the degree to which the services required under the measure are already funded through existing programs, the fiscal impact could remain within the estimated \$4.5 million in available Oregon Marijuana Account revenue. However, the reprioritization of this revenue to fund the requirements of the measure could lead to a revenue shortfall in other addiction treatment and recovery programs.

## **Counties**

There is no fiscal impact to Counties.