



**LEGISLATIVE FISCAL OFFICE  
Fiscal Note**

Fiscal Note On: **HB 1045** HLS 22RS 1985  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 18, 2022	1:00 PM	<b>Author:</b> FREEMAN
<b>Dept./Agy.:</b> LDH		
<b>Subject:</b> substance abuse		<b>Analyst:</b> Shawn Hotstream

FUNDS/FUNDING OR INCREASE SD RV See Note Page 1 of 1  
 Provides relative to funding for certain substance abuse services

Proposed law creates the Opioid Litigation Proceeds Fund in the treasury. Proposed law provides for monies to be deposited into the fund, and use of the revenues in the fund. Proposed law creates the Opioid Litigation Proceeds Council, and requires LDH to hire an Executive Director of the Council. Proposed law provides for requirements of the Council, and membership of the Council. Proposed law provides for requirements of LDH related to the council, and other support duties.

Proposed law requires LDH to promulgate rules and regulations necessary to implement this measure.

<b>EXPENDITURES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

Proposed law is anticipated to result in a significant but indeterminable amount of statutory dedication expenditures and State General Fund expenditures within LDH associated with staffing. Proposed law creates the Opioid Litigation Proceeds Council and uses money in the newly created fund to cover any expenses incurred in administering and staffing the council. In addition, monies in the new fund shall be used for the following: 1) statewide or community substance use disorder needs assessments, 2) infrastructure required for evidence-based substance use disorder prevention, treatment, recovery, or harm reduction programs, 3) programs, services, supports, and resources for evidence-based substance use disorder, 4) evidence-informed substance use disorder pilot programs or demonstration studies, 5) evaluations of effectiveness and outcomes reporting, 6) LDH expenses related to reporting.

In addition, the Louisiana Department of Health is required to hire a full time Executive Director of the council. It is assumed the salary of this position will be paid for from SGF revenues of LDH. This measure further requires LDH to utilize appropriations from the general fund and existing programs/resources for substance abuse disorder programs itemized under this measure. LDH anticipates an additional 5 full time positions will be required to support the council and new pilot programs, reporting requirements, oversight of expenditures, evaluation of applications for use of the funds, and research. Positions include one program manager, two program monitors, an attorney, and an administrative assistant. Salary and related benefit (calculated at 50% of salary) costs are projected to be approximately \$700,000 annually.

**REVENUE EXPLANATION**

Proposed law creates the Opioid Litigation Proceeds Fund in the state treasury. The treasurer is directed to deposit all proceeds received by the state in connection with legal claims against manufacturers and distributors of prescription opioids and pharmacies that dispensed prescription opioids. In addition, the treasurer is authorized to deposit any gifts, grants, donations, or other monies received by the state on the funds behalf. The LFO has requested additional information from the Louisiana Attorney General relative the the status and potential amount of the Opioid Settlement.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*  
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**Evan Brasseaux**  
 Interim Deputy Fiscal Officer