

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **HB 389** HLS 20RS 56

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> May 2, 2020 6:31 AM	<b>Author:</b> ECHOLS
<b>Dept./Agy.:</b> Higher Education	<b>Analyst:</b> Jodi Mauroner
<b>Subject:</b> Opioid Settlement Fund	

FUNDS/FUNDING

OR SEE FISC NOTE SD EX

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Provides for the disbursement of monies received in settlements from opioid manufacturers

Proposed legislation creates the Louisiana Opioid Settlement Fund. Requires that all monies received by the state from any judgment, settlement, or civil or criminal penalty against any manufacturer or responsible party shall be deposited into the fund. Monies in the fund shall be used to provide grant funding to specified entities for opioid education, overdose prevention efforts, and addiction research, treatment and recovery. Provides funds shall be appropriated to the University of Louisiana Monroe (ULM), which, in conjunction with the ULM College of Pharmacy, shall be the administrator of the fund. Requires ULM to establish criteria for grant eligibility and disburse funds as follows: 20% for prevention efforts; 50% to address the current opioid crisis; and 30% for addiction and treatment research and development of opioid alternatives. Requires annual reporting no later than August 1 of each year. Further requires that any prescription medicine received by the state from any judgment, settlement, assessment of civil or criminal penalty against a manufacturer of opioids shall be distributed to ULM which shall establish a procedure for distribution of the prescription medicine. Effective August 1, 2020

<b>EXPENDITURES</b>	<b><u>2020-21</u></b>	<b><u>2021-22</u></b>	<b><u>2022-23</u></b>	<b><u>2023-24</u></b>	<b><u>2024-25</u></b>	<b><u>5 -YEAR TOTAL</u></b>
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Ded./Other	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
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>\$0</b>
<b>Annual Total</b>						

<b>REVENUES</b>	<b><u>2020-21</u></b>	<b><u>2021-22</u></b>	<b><u>2022-23</u></b>	<b><u>2023-24</u></b>	<b><u>2024-25</u></b>	<b><u>5 -YEAR TOTAL</u></b>
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Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b>\$0</b>
<b>Annual Total</b>						

**EXPENDITURE EXPLANATION**

There will be an increase in expenditures for ULM to the extent revenues are deposited into the fund and are available for the award of grants to eligible entities. ULM anticipates it could use existing resources initially, but additional staffing to administer the program may be phased in based on the availability of funds and the implementation timeline. To the extent additional resources are required, ULM would use allocations out of the funding formula, self-generated revenues, or request state general fund (direct) as the proposed bill does not provide for the use of the statutorily dedicated funds to offset administrative costs.

**REVENUE EXPLANATION**

There is no immediate impact to revenues of state and local agencies, as well as other eligible entities as a result of this legislation. To the extent monies are deposited into the fund, eligible entities may apply for grants. The Attorney General has indicated there is ongoing litigation, as well as negotiations with multiple pharmaceutical manufacturers involving all 50 states, as well as local governments and municipalities. Many of these have been ongoing for a number of years; as such the AG is unable to quantify the amount and timing of potential receipts as a result of any settlement.

Senate

Dual Referral Rules

House

13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

*Evan Brasseaux*

**Evan Brasseaux**  
**Staff Director**