

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6172-01
Bill No.: HB 2367
Subject: Drugs and Controlled Substances; Health and Senior Services Department;
 Health, Public
Type: Original
Date: April 24, 2018

Bill Summary: This proposal authorizes local health departments and community-based organizations to establish Safe Consumption Facilities.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	Up to (\$141,351)	Up to (\$157,278)	Up to (\$158,906)
Total Estimated Net Effect on General Revenue	Up to (\$141,351)	Up to (\$157,278)	Up to (\$158,906)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE
Total Estimated Net Effect on FTE	Up to 2 FTE	Up to 2 FTE	Up to 2 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Local Government	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Health and Senior Services (DHSS)** state the proposed legislation establishes a new program in which DHSS would receive, review, approve/deny, and provide notification regarding community based-organizations' applications to establish a safe consumption facility. In order to implement this program, the Division of Community and Public Health (DCPH) would need to obtain one full-time Health Program Representative III (\$39,708 annually) and one full-time Program Coordinator (\$50,112 annually). Responsibilities of these positions include, but are not limited to:

- Researching and compiling community-based organization safe consumption facility application review criteria.
- Reviewing and issuing approval/denial of community-based organizations' safe consumption facility applications.
- Monitoring compliance with program criteria and data collection/reporting requirements.
- Developing and/or distributing educational materials regarding program requirements and/or best practices.
- Establishing and maintaining collaborative relationships with partner agencies who possess expertise related to the various required components of the safe consumption facility legislation. Staff will work with partners to obtain technical assistance in order to ensure appropriate DHSS expertise and oversight of the program.
- Providing and/or coordinating technical assistance to local public health agencies and community based organizations that operate safe consumption facilities.
- Collecting and aggregating data from program sites.

Memoranda of Agreements would be issued to DHSS-approved safe consumption facility sites to outline program operation and reporting requirements. The number of agreements is unknown as this would be dependent on the number of community-based organizations that submit applications to establish safe consumption facilities, and the number of such applications that are approved by DHSS.

DHSS estimates costs to the General Revenue Fund of \$150,743 for FY19; \$168,830 for FY20; and \$170,747 for FY21.

Oversight assumes DHSS would not need additional rental space for 2 new FTE for this single proposal. However, Oversight notes, depending on the number of proposals passed during the legislative session, that cumulatively, DHSS may need additional rental space or capital improvements as determined by the Office of Administration, Facilities Management, Design and Construction.

ASSUMPTION (continued)

Oversight does not know how many (if any) applications DHSS will receive for safe consumption facilities. Therefore, Oversight will reflect a potential impact of “Up to” DHSS’ estimates. Oversight will also reflect a \$0 or Unknown cost to local health departments to help administer the program.

Officials from the **Office of Attorney General (AGO)** assume any potential costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation.

Officials from the **Office of State Courts Administrator (OSCA)** state this proposal may have some impact, but there is no way to quantify that impact at the present time. Any significant changes will be reflected in future budget requests.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration**, the **Missouri Office of Prosecution Services** and the **Columbia/Boone County Department of Public Health and Human Services** each assume the proposal would not fiscally impact their respective agencies.

Officials from the following **health departments**: Audrain County Health Unit, Cass County Health Department, Clay County Public Health Department, Cooper County Public Health Department, Harrison County Health Department and Hospice, Henry County Health Center, Hickory County Health Department, Howell County Health Department, City of Independence Health Department, Jefferson County Health Department, Knox County Health Department, Linn County Health Department, Madison County Health Department, McDonald County Health Department, Miller County Health Center, Morgan County Health Center, Nodaway County Health Center, Platte County Health Department, Polk County Health Center, Pulaski County Health Center and Home Health Agency, Randolph County Health Department, Reynolds County Health Center, Ripley County Health Center, Shelby County Health Department, the St. Francois County Health Center and the St. Joseph Health Department did not respond to **Oversight’s** request for a statement of fiscal impact.

Oversight assumes this program could have several indirect impacts on the state and local communities, but have reflected them in the fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Costs - DHSS (§§195.1160- 195.1168)</u>	Up to....	Up to.....	Up to....
Personal service	(\$74,850)	(\$90,718)	(\$91,625)
Fringe benefits	(\$40,210)	(\$48,519)	(\$48,789)
Equipment and expense	<u>(\$26,291)</u>	<u>(\$18,041)</u>	<u>(\$18,492)</u>
Total Costs - DHSS	<u>(\$141,351)</u>	<u>(\$157,278)</u>	<u>(\$158,906)</u>
FTE Change - DHSS	2 FTE	2 FTE	2 FTE
 ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	 <u>Up to (\$141,351)</u>	 <u>Up to (\$157,278)</u>	 <u>Up to (\$158,906)</u>
 Estimated Net FTE Effect on the General Revenue Fund	 Up to 2 FTE	 Up to 2 FTE	 Up to 2 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL HEALTH DEPARTMENTS			
<u>Costs - to help administer the safe consumption facility program</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
 ESTIMATED NET EFFECT TO LOCAL HEALTH DEPARTMENTS	 <u>\$0 or (Unknown)</u>	 <u>\$0 or (Unknown)</u>	 <u>\$0 or (Unknown)</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill allows a local health department to establish a safe consumption facility program in one or more jurisdictions. Additionally, a community-based organization may establish a safe consumption facility program in one or more jurisdictions with approval of the Department of Health and Senior Services. A safe consumption facility program must collect data on the program and submit a report to the department and the General Assembly each year. The bill

FISCAL DESCRIPTION (continued)

exempts participants and staff of the program from criminal or civil penalties for involvement in the program.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Health and Senior Services
Office of Attorney General
Department of Insurance, Financial Institutions and Professional Registration
Missouri Office of Prosecution Services
Office of State Courts Administrator
Columbia/Boone County Department of Public Health and Human Services

Ross Strope



Acting Director
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