

OFFICE OF FISCAL ANALYSIS

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sHB-5044

AN ACT IMPLEMENTING THE GOVERNOR'S BUDGET
RECOMMENDATIONS REGARDING THE USE OF OPIOID
LITIGATION PROCEEDS.

AMENDMENT

LCO No.: 5386

File Copy No.: 124

House Calendar No.: 132

OFA Fiscal Note

State Impact: See Below

Municipal Impact: See Below

Explanation

The amendment strikes the language in the underlying bill and the associated fiscal impact.

The amendment establishes the Opioid Settlement Fund, a separate non-lapsing fund, as a mechanism for the state to receive opioid litigation proceeds finalized after 7/1/21. Expenses made from the fund must be used prospectively and only for specified substance use disorder abatement purposes.

The amendment results in a cost to the Department of Mental Health and Addiction Services (DMHAS) of at least \$250,000 associated with a Behavioral Health Program Manager and Administrative Assistant (and related fringe benefits) required to manage the Committee. Additional staffing and support costs may be incurred to carry out the provisions of the amendment. Costs may be supported by the Opioid Settlement Fund or the General Fund.

Primary Analyst: ES
Contributing Analyst(s):

4/26/22
(NF)

The amendment requires the Treasurer to annually report on fund balance, investments, and earned income for the Opioid Settlement Fund. This is not anticipated to result in a cost, as the Treasurer has sufficient expertise to create such reports if the monies of the fund are invested alongside other cash balances of the state, such as the short-term investment fund.

For context, Connecticut is part of a recently approved \$26 billion multistate opioid settlement agreement with various prescription drug manufacturers. Of that amount, the state is expected to receive approximately \$300 million over 18 years; municipalities will receive 15%, or 45 million collectively, of the state's allocation. As such, this is anticipated to result in a significant revenue gain to the state and municipalities associated with settlement revenue.

The preceding Fiscal Impact statement is prepared for the benefit of the members of the General Assembly, solely for the purposes of information, summarization and explanation and does not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.