

OFFICE OF FISCAL ANALYSIS

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sHB-6718

AN ACT CONCERNING THE SAFE STORAGE AND DISPOSAL OF CERTAIN PRESCRIPTION DRUGS, CANNABIS AND CANNABIS PRODUCTS.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 24 \$	FY 25 \$
Resources of the General Fund	GF - Appropriation	400,000	400,000
Resources of the Opioid Settlement Fund	Opioid Settlement Fund - Potential Cost	400,000	None
Resources of the Prevention and Recovery Services Fund	Prevention and Recovery Services Fund - Potential Cost	400,000	None
Consumer Protection, Dept.; Mental Health & Addiction Serv., Dept.	GF - Cost	See Below	See Below
State Comptroller - Fringe Benefits ¹	GF - Cost	42,075	42,075

Note: GF=General Fund; Various=Various

Municipal Impact: None

Explanation

The bill makes various changes regarding opioid and cannabis packaging and public awareness campaigns resulting in the fiscal impact described below.

¹The fringe benefit costs for most state employees are budgeted centrally in accounts administered by the Comptroller. The estimated active employee fringe benefit cost associated with most personnel changes is 42.82% of payroll in FY 24.

DCP Packaging Labels for Opioids and Cannabis:

Sections 1-3 require pharmacies and cannabis facilities to affix labels on opioid and cannabis packaging and requires the Department of Consumer Protection (DCP) to design, produce, and distribute the labels resulting in a cost of \$800,000 in FY 24.

Sections 6 and 7 allocate \$400,000 each from the Opioid Settlement Fund and Prevention and Recovery Services Fund to DCP, potentially offsetting the cost to the agency.

The Opioid Settlement Fund is a separate, nonlapsing fund administered by a 37-member Opioid Settlement Advisory Committee with assistance from the Department of Mental Health and Addiction Services (DMHAS). Expenditures must be approved by the Committee and used only in accordance with the controlling judgment, consent decree, or settlement.

The Prevention and Recovery Services Fund is a separate, nonlapsing fund. Funding must be used for the purposes of (1) substance abuse prevention, treatment, and recovery services, and (2) collection and analysis of data regarding substance use.

DCP Social Media Public Awareness Campaign:

Sections 4 requires DCP to develop and administer a social media public awareness campaign regarding the safe storage of prescription drugs and cannabis resulting in a cost of \$50,000 in FY 24 and FY 25. Sections 10 and 11 appropriate \$50,000 from the General Fund in both FY 24 and FY 25 for this purpose.

DMHAS Public Awareness Campaign:

Section 5 requires the Department of Mental health and Addiction Services (DMHAS) to develop and administer a public awareness campaign regarding the safe storage and disposal of prescription drugs and cannabis resulting in a cost of \$150,000 in FY 24 and FY 25. Sections 12 and 13 appropriate \$150,000 from the General Fund in both FY 24 and

FY 25 for this purpose.

DCP Enforcement:

Sections 8-9 appropriate \$200,000 in FY 24 and FY 25 for DCP to hire one full-time employee to investigate violations of sections 1-2 of the bill.

To meet the requirements of the bill, DCP will need to hire one drug control agent which will cost the agency \$102,258 in FY 24 and FY 25. This will also cost the Office of the State Comptroller \$42,075 in FY 24 and FY 25 for associated fringe benefits.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to the continuance of the public awareness campaigns, cost of the labels, and inflation.