

Department of Planning and Budget

2021 Fiscal Impact Statement

1. Bill Number: HB 2322

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☒ Substitute ☐ Enrolled

2. Patron: Herring

3. Committee: -

4. Title: Opioid Abatement Authority; established, report

5. Summary: The substitute bill establishes the Opioid Abatement Authority as an agency under the Secretary of Health and Human Resources. The Authority, with the assistance of the Office of the Attorney General, would administer the Opioid Abatement Fund, which would receive moneys from settlements, judgments, verdicts, and other court orders, or related agreements, concerning claims regarding the manufacturing, marketing, distribution, or sale of opioids that would be used to provide grants and loans to Virginia agencies and certain localities for the purpose of treating, preventing, and reducing opioid use disorder and the misuse of opioids in the Commonwealth.

6. Budget Amendment Necessary: Indeterminate

7. Fiscal Impact Estimates: Indeterminate

8. Fiscal Implications: The fiscal impact of this bill cannot be determined at this time. However, no general fund support is expected to be necessary, since all costs associated with the bill's provisions are to be covered with revenues accounted for in the legislation.

Specifically, the bill requires that all funds from settlements, judgments, verdicts, and other court orders designated by the Attorney General as relating to claims regarding the manufacturing, marketing, distribution, or sale of opioids be deposited into the Opioid Abatement Fund. This Fund is administered by an Opioid Abatement Authority which is also established in the bill. The legislation provides an overall framework for how the Authority must allocate the Fund, which includes paying for expenditures necessary to carry out the Authority's purpose. There are no estimates as to the amount of revenue that will be deposited in the Fund or how this revenue is expected to be used. As such, the fiscal impact is indeterminate.

The proposed legislation assigns additional responsibilities to the Virginia Retirement System (VRS) for investing, reinvesting, and managing amounts designated by the Board of the Opioid Abatement Authority from the Opioid Abatement Fund. VRS is unable to estimate the degree to which these responsibilities would impact currently mandated investment and management activities, or what resources would then be required.

9. Specific Agency or Political Subdivisions Affected:

Office of the Secretary of Health and Human Resources

Department of Accounts

Office of Attorney General

Virginia Retirement System

10. Technical Amendment Necessary: No

11. Other Comments: This bill is a companion to SB 1469.