

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 16, 2023

TO: Honorable Stephanie Klick, Chair, House Committee on Public Health

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB4173 by Klick (Relating to state overdose prevention and control efforts and the defense to prosecution for certain offenses involving possession of small amounts of controlled substances, marihuana, dangerous drugs, or abusable volatile chemicals, or possession of drug paraphernalia for defendants seeking assistance for a suspected overdose.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB4173, As Introduced : a negative impact of (\$34,052,128) through the biennium ending August 31, 2025.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2024	(\$17,847,392)
2025	(\$16,204,736)
2026	(\$8,205,626)
2027	(\$8,206,526)
2028	(\$8,207,436)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable (Cost) from General Revenue Fund 1</i>	<i>Change in Number of State Employees from FY 2023</i>
2024	(\$17,847,392)	15.0
2025	(\$16,204,736)	15.0
2026	(\$8,205,626)	15.0
2027	(\$8,206,526)	15.0
2028	(\$8,207,436)	15.0

Fiscal Analysis

The bill would require the Department of State Health Services (DSHS) to develop an overdose mapping and response system in which a central repository containing information about overdose incidents is established and maintained using the information technology (IT) platform.

The bill would require DSHS to design the overdose mapping and response system to avoid data entry duplication which may include one or more application program interfaces to transfer information about

overdose incidents that are reported to active databases in this state to the IT platform.

The bill would require DSHS to create overdose spike response plans that coordinate the response of public health, public safety, and emergency management agencies and officials, first responders, community organizations, health care providers, and the media with the goal of preventing and reducing the harm caused by overdose spikes.

The bill would require DSHS to report to the legislature annually regarding the overdose mapping and response system.

The bill would require DSHS to develop, implement, and maintain an ongoing statewide prevention and education campaign to address the fentanyl education needs in the state. DSHS would be required to provide at least five regional training sessions during the first year of operation of the campaign for community partners to implement youth health development strategies. DSHS would be required to maintain a website as the state resource for accurate and timely information regarding fentanyl.

The bill would require DSHS to establish a Substance Abuse Prevention Collaborative composed of a number and composition of members as determined by the executive commissioner of the Health and Human Services Commission (HHSC) to be appropriate.

The bill would require DSHS to develop and implement the State Overdose Prevention Grant Program to prevent overdose deaths and reduce health risks associated with substance abuse. Eligible entities include non-profit organizations, federally qualified health centers or rural clinics, and law enforcement agencies.

The bill would require the Department of Public Safety (DPS), in consultation with HHSC, to conduct a study regarding the use of the Internet, including retail, payment, and social media platforms, for the purpose of distributing fentanyl, alpha-methylfentanyl, and other derivative of fentanyl, synthetic opiates, and counterfeit prescription drugs.

Methodology

DSHS would require an additional 15.0 full-time equivalents (FTEs) per fiscal year to implement the bill. Additional positions include a Manager IV position (1.0 FTE) to supervise staff for the education campaign, grant program, and Substance Abuse Prevention Collaborative; an Epidemiologist III position (1.0 FTE) to analyze overdose response data, coordinate overdose spike response plans, and complete the annual legislative report; Information Specialist IV positions (2.0 FTEs) to assist with the education campaign, prevention campaign, and website development; a Research Specialist IV position (1.0 FTE) to assist with the education campaign, prevention campaign, and reports; Program Specialist V positions (5.0 FTEs) to assist HHSC with the education campaign, prevention campaign, provide IT customer support, conduct trainings, and coordinate committee meetings; a Programmer VI position (1.0 FTE) to develop and maintain the mapping and response system; a Systems Analyst V position (1.0 FTE) to manage system infrastructure and peripherals and to serve as program liaison; a Grant Specialist IV position (1.0 FTE) position to coordinate the State Overdose Prevention Grant Program; a Contract Specialist IV position (1.0 FTE) position to provide contract management support, contract monitoring, and additional contract management activities, and a Financial Analyst II position (1.0 FTE) to perform financial monitoring and grant fiscal compliance oversight work.

Salaries and benefits for the new 15.0 FTE positions would be \$0.7 million in fiscal year 2024 and \$0.9 million in fiscal year 2025. The lesser amount in fiscal year 2024 assumes that the positions would not be filled until later in the fiscal year. Additional FTE costs would be \$0.2 million in fiscal year 2024 and \$0.1 million in fiscal year 2025.

DSHS would contract for services required for the Statewide Prevention and Education Campaign. According to DSHS, the contractor would provide market research across the state; develop materials including TV spots, radio spots, and social media; and create other education and awareness materials. The contractor would advise on website development and facilitate the purchasing of materials for dissemination and coordinate other in-person outreach activities. The contracted services are estimated at \$15.0 million in fiscal year 2024 and fiscal year 2025. These services are expected to decrease to \$7.0 million per fiscal year after the biennium once

initial costs and services are completed.

The cost for five regional training sessions during the first year of operation of the campaign for community partners to implement youth health development strategies would be \$500,000 for fiscal year 2024.

The cost estimate includes only the cost to administer the State Overdose Prevention Grant program and does not include funding required to provide grants to eligible entities. DSHS would require appropriations beyond the administrative costs to actually implement the grant program, but the cost for grant funding would depend on the preferred scale of the program including the number of grant recipients and technology projects that would be supported. Due to uncertainty about the preferred program scale, an estimate for the cost of grants cannot be determined.

Department of Public Safety (DPS), in consultation with HHSC, would conduct a study regarding the use of the Internet, including retail, payment, and social media platforms, for the purpose of distributing fentanyl, alpha-methylfentanyl, and other derivative of fentanyl, synthetic opiates, and counterfeit prescription drugs. It is assumed that any costs associated with the bill could be absorbed using existing resources.

Technology

Technology costs include \$1.3 million in fiscal year 2024 for staff augmentation, existing system modifications, and changes to the web server. The overdose mapping and response system will be configured to include any new reporting requirements. The work will be performed by the DSHS IT Public Health Applications group.

Data Center Services costs would be \$100,000 in each fiscal year.

Additional IT costs for the new FTEs would be less than \$0.1 million in each fiscal year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 405 Department of Public Safety, 407 Commission on Law Enforcement, 503 Texas Medical Board, 529 Health and Human Services Commission, 537 State Health Services, Department of

LBB Staff: JMc, NPe, ER, APA, NV