



General Assembly

February Session, 2022

Governor's Bill No. 5044

LCO No. 605



Referred to Committee on PUBLIC HEALTH

Introduced by:

Request of the Governor Pursuant
to Joint Rule 9

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

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2022*) As used in this section and
2 sections 2 to 5, inclusive, of this act:

3 (1) "Commissioner" means the Commissioner of Mental Health and
4 Addiction Services.

5 (2) "Committee" means the Opioid Settlement Advisory Committee
6 established pursuant to section 3 of this act.

7 (3) "Department" means the Department of Mental Health and
8 Addiction Services.

9 (4) "Evidence-based" means meeting one of the following evidentiary
10 criteria for an activity, practice, program, service, support or strategy:
11 (A) Meta-analyses or systematic reviews have found the activity,
12 practice, program, service, support or strategy to be effective; (B)

13 evidence from a scientifically rigorous experimental study, including,
14 but not limited to, a randomized controlled trial, demonstrates the
15 activity, practice, program, service, support or strategy is effective; or
16 (C) multiple observational studies from locations in the United States
17 indicate the activity, practice, program, service, support or strategy is
18 effective. As used in this subdivision, "effective" means helping persons
19 avoid the development and progression of substance use disorders or
20 drug-related harms, reducing the adverse consequences of substance
21 use among persons who use substances, or managing, slowing the
22 progression of, or supporting recovery from a person's substance use
23 disorder or co-occurring mental health disorder.

24 (5) "Fund" means the Opioid Settlement Fund established pursuant
25 to section 2 of this act.

26 (6) "Harm reduction" means a reduction of, or attempt to reduce, the
27 adverse consequences of substance use, including, but not limited to, by
28 addressing the substance use and conditions that give rise to such
29 substance use. "Harm reduction" includes, but is not limited to, syringe
30 service programs, naloxone distribution and public awareness
31 campaigns about Good Samaritan laws.

32 (7) "Infrastructure" means the resources, including, but not limited to,
33 personnel, buildings and equipment, required for an agency of the state,
34 municipality, other government entity or nonprofit organization to
35 provide substance use disorder prevention, treatment, recovery and
36 harm reduction programs, services, supports and resources.

37 (8) "Opioid Litigation Proceeds Act" means the provisions of this
38 section and sections 2 to 5, inclusive, of this act.

39 (9) "Prevention" means efforts to avoid the development and
40 progression of substance use disorders and drug-related harms.

41 (10) "Recovery" means an active process of continual growth that
42 addresses the biological, psychological, social and spiritual disturbances
43 inherent in addiction.

44 (11) "Substance use disorder" means a pattern of use of alcohol or
45 other substances that meets the applicable diagnostic criteria delineated
46 in the most recent edition of the American Psychiatric Association's
47 Diagnostic and Statistical Manual of Mental Disorders.

48 (12) "Supplemental" means additional funding, consistent with the
49 provisions of section 2 of this act, for substance use disorder abatement
50 infrastructure or a substance use disorder abatement program, service,
51 support or resource to ensure that funding in the current fiscal year
52 exceeds the sum of federal, state and local funds allocated in the
53 previous fiscal year for such substance use disorder abatement
54 infrastructure, program, service, support or resource.

55 (13) "Treatment" means a service to intervene upon, care for, manage,
56 slow progression of or support recovery from a substance use disorder
57 or co-occurring mental health disorder. "Treatment" includes, but is not
58 limited to, an individualized service to address a person's medical
59 needs, including, screening for and diagnosing of substance use
60 disorders and co-occurring mental or physical health disorders and
61 pharmacological and nonpharmacological therapeutic interventions.

62 Sec. 2. (NEW) (*Effective July 1, 2022*) (a) There is established an Opioid
63 Settlement Fund which shall be a separate nonlapsing fund
64 administered by the committee.

65 (b) Any moneys intended to address opioid use, related disorders or
66 the impact of the opioid epidemic that are received by the state from any
67 judgment, consent decree or settlement paid by any defendant, which is
68 finalized on or after July 1, 2021, related to the production, distribution,
69 dispensing and other activities related to opioids shall be deposited into
70 the fund. Moneys remaining in the fund at the end of a fiscal year shall
71 not revert to the General Fund.

72 (c) Notwithstanding any provision of subsection (b) of this section, if
73 the commissioner and the Attorney General certify that the purposes of
74 such judgment, consent decree or settlement are inconsistent with the
75 intent of the provisions of this section and sections 3 to 5, inclusive, of

76 this act, the commissioner and Attorney General (1) shall report in
77 writing to the committee such certification, including any identification
78 by the commissioner and Attorney General of an alternate fund or
79 account and explanation of the reasons for depositing such moneys in
80 such alternate fund or account, and (2) may deposit such moneys into
81 such alternate fund or account.

82 (d) Beginning on December 31, 2022, and annually thereafter, the
83 State Treasurer shall report the following to the committee:

84 (1) An inventory of fund investments as of the most recent fiscal year;
85 and

86 (2) The net income earned by the fund in the most recent fiscal year.

87 (e) Moneys in the fund shall be spent only for the following substance
88 use disorder abatement purposes, in accordance with the controlling
89 judgment, consent decree or settlement, as confirmed by the Attorney
90 General's review of such judgment, consent decree or settlement and
91 upon the approval of the committee and the Secretary of the Office of
92 Policy and Management:

93 (1) State-wide, regional or community substance use disorder needs
94 assessments to identify structural gaps and needs to inform
95 expenditures from the fund;

96 (2) Infrastructure required for evidence-based substance use disorder
97 prevention, treatment, recovery or harm reduction programs, services
98 and supports;

99 (3) Programs, services, supports and resources for evidence-based
100 substance use disorder prevention, treatment, recovery or harm
101 reduction;

102 (4) Evidence-informed substance use disorder prevention, treatment,
103 recovery or harm reduction pilot programs or demonstration studies
104 that are not evidence-based, but are approved by the committee as an
105 appropriate use of moneys for a limited period of time as specified by

106 the committee, provided the committee shall assess whether the
107 evidence supports funding such programs or studies or whether it
108 provides a basis for funding such programs or studies with an
109 expectation of creating an evidence base for such programs and studies;

110 (5) Evaluation of effectiveness and outcomes reporting for substance
111 use disorder abatement infrastructure, programs, services, supports and
112 resources for which moneys from the fund have been disbursed,
113 including, but not limited to, impact on access to harm reduction
114 services or treatment for substance use disorders or reduction in drug-
115 related mortality;

116 (6) One or more publicly available data interfaces managed by the
117 commissioner to aggregate, track and report data on (A) substance use
118 disorders, overdoses and drug-related harms, (B) spending
119 recommendations, plans and reports, and (C) outcomes of programs,
120 services, supports and resources for which moneys from the fund were
121 disbursed;

122 (7) Expenses incurred in administering and staffing the fund and the
123 committee, as permitted by the controlling judgment, consent decree or
124 settlement; and

125 (8) Expenses associated with managing, investing and disbursing
126 moneys in the fund.

127 (f) (1) For purposes of this section, the fund balance shall be
128 determined by the State Treasurer as of July first, annually.

129 (2) Unless otherwise required by court order to refund to the federal
130 government a portion of the proceeds, moneys in the fund shall be used
131 for prospective purposes and shall not be used to reimburse
132 expenditures incurred prior to July 1, 2022.

133 (3) Proceeds derived from any state settlement of claims against a
134 defendant shall be allocated and disbursed only to those municipalities
135 that execute an agreement to participate in such settlement and adhere

136 to the terms of such agreement, provided the allocation or disbursement
137 of such settlement proceeds for the benefit of persons within
138 municipalities that do not execute an agreement to participate in such
139 settlement or do not adhere to the terms of such agreement shall not be
140 precluded or limited.

141 (4) Governmental and private provider, nongovernmental entities
142 shall be eligible to receive moneys from the fund for programs, services,
143 supports and resources for prevention, treatment, recovery and harm
144 reduction.

145 (5) Subject to the provisions of subsection (6) of this subsection, fund
146 disbursements shall be made by the commissioner upon approval of the
147 committee. The commissioner shall not make or refuse to make any
148 disbursement allowable under this subsection without the approval of
149 the committee. The commissioner shall adhere to the committee's
150 decisions regarding disbursement of moneys from the fund, provided
151 such disbursement is a permissible expenditure under this section. The
152 commissioner's role in the distribution of moneys after the distribution
153 has been approved by the committee and after the review and approval
154 required under subsection (e) of this section shall be ministerial and
155 shall not be discretionary.

156 (6) Moneys expended from the fund for the purposes set forth in
157 subsection (d) of this section shall be supplemental to, and shall not
158 supplant or take the place of, any other funds, including, but not limited
159 to, insurance benefits or local, state or federal funding, that would
160 otherwise have been expended for such purposes. The commissioner
161 shall not disburse moneys from the fund during any fiscal year unless
162 the Secretary of the Office of Policy and Management transmits to the
163 committee a letter verifying that funds appropriated and allocated in
164 such fiscal year's budget for substance use disorder abatement
165 infrastructure, programs, services, supports and resources for
166 prevention, treatment, recovery and harm reduction are in an amount
167 not less than the sum of the funds for such purposes appropriated and
168 allocated in the previous fiscal year's budget. As used in this

169 subdivision, "supplemental" means additional funding, consistent with
170 the provisions of this section, for substance use disorder abatement
171 infrastructure or a substance use disorder abatement program, service,
172 support or resource to ensure that funding in the current fiscal year
173 exceeds the sum of federal, state, and local funds allocated in the
174 previous fiscal year for such substance use disorder abatement
175 infrastructure, program, service, support or resource.

176 Sec. 3. (NEW) (*Effective July 1, 2022*) (a) There is established an Opioid
177 Settlement Advisory Committee to ensure (1) that proceeds received by
178 the state pursuant to section 2 of this act are allocated and spent on
179 substance use disorder abatement infrastructure, programs, services,
180 supports and resources for prevention, treatment, recovery and harm
181 reduction, and (2) robust public involvement, accountability and
182 transparency in allocating and accounting for the moneys in the fund.

183 (b) The committee shall consist of the following members:

184 (1) The Secretary of the Office of Policy and Management, or the
185 secretary's designee;

186 (2) The Attorney General, or the Attorney General's designee;

187 (3) The Commissioners of Children and Families, Mental Health and
188 Addiction Services and Public Health, or said commissioners' designees,
189 who shall serve as ex-officio members;

190 (4) The president pro tempore of the Senate, the speaker of the House
191 of Representatives, the majority leaders of the Senate and House of
192 Representatives and the minority leaders of the Senate and House of
193 Representatives, or their designees;

194 (5) Sixteen individuals representing municipalities, who shall be
195 appointed by the Governor;

196 (6) The executive director of the Commission on Racial Equity in
197 Public Health, or a representative of the commission designated by the
198 executive director; and

199 (7) Seven individuals appointed by the commissioner as follows: (A)
200 Two individuals in recovery from a substance use disorder or
201 representing an advocacy group for individuals with a substance use
202 disorder; (B) a provider of community-based substance use treatment
203 services for adults, who shall be a nonvoting member; (C) a provider of
204 community-based substance use treatment services for adolescents,
205 who shall be a nonvoting member; (D) an addiction medicine licensed
206 health care professional with prescribing ability, who shall be a
207 nonvoting member; and (E) two family members of individuals with a
208 substance use disorder.

209 (c) The commissioner shall be chairperson of the committee.

210 (d) Notwithstanding any other provision of the general statutes, it
211 shall not be a conflict of interest for a trustee, director, officer or
212 employee of an organization, or for any person having a financial
213 interest in such organization, to serve as a member of the committee,
214 provided such trustee, director, officer, employee or person shall
215 disclose such position or interest to all other members of the committee
216 and abstain from deliberation, action and vote by the committee under
217 this section that specifically concerns the organization of which such
218 member is a trustee, director, officer or employee, or in which such
219 member has a financial interest.

220 (e) All initial appointments to the committee shall be made not later
221 than October 1, 2022. Each member of the committee, other than the ex-
222 officio members, shall serve for a term of two years, shall serve no more
223 than two consecutive terms and may serve until a successor is
224 appointed, except that in the event of any vacancy, the appointing
225 authority shall fill such vacancy for the unexpired portion of such term.
226 Any member of the committee may be removed by the appointing
227 authority for misfeasance, malfeasance or wilful neglect of duty.

228 (f) The committee shall have the following duties and powers:

229 (1) Recommend and approve policies and procedures for
230 administration of the committee and criteria for the application,

231 awarding and disbursement of moneys from the fund, to be used for the
232 purposes set forth in section 2 of this act;

233 (2) Recommend and approve goals, objectives, rationales for such
234 goals and objectives, sustainability plans and performance indicators
235 relating to: (A) Substance use disorder prevention, treatment, recovery
236 and harm reduction efforts; (B) reducing disparities in access to
237 prevention, treatment, recovery and harm reduction programs, services,
238 supports and resources; and (C) improving health outcomes in
239 traditionally underserved populations, including, but not limited to,
240 persons who live in rural or tribal communities, are members of racial
241 or ethnic minorities or were formerly incarcerated; and

242 (3) Approve the allocation of moneys from the fund.

243 (g) The department shall:

244 (1) Employ a full-time manager of the committee and provide public
245 health research and policy expertise, support staff, facilities, technical
246 assistance and other resources to (A) assist the manager of the
247 committee in planning and supporting the functions of the committee,
248 including ensuring that proceeds received by this state pursuant to
249 section 2 of this act are allocated and spent on substance use disorder
250 abatement infrastructure, programs, services, supports, and resources
251 for prevention, treatment, recovery and harm reduction, and (B) ensure
252 robust public involvement, accountability and transparency in
253 allocating and accounting for the moneys in the fund;

254 (2) Utilize, where feasible, appropriations from the General Fund and
255 existing infrastructure, programs, services, supports or other resources
256 to address substance use disorders, overdoses and drug-related harms;

257 (3) Prepare for review and approval by the committee of the
258 department's goals, objectives, rationales for such goals and objectives,
259 sustainability plans and performance indicators relating to (A)
260 substance use disorder prevention, treatment, recovery and harm
261 reduction efforts, and (B) reducing disparities in access to prevention,

262 treatment, recovery and harm reduction programs, services, supports
263 and resources;

264 (4) Evaluate applications and make recommendations to the
265 committee for the awarding of contracts and disbursements of moneys
266 from the fund exclusively for permissible expenditures set forth in
267 section 2 of this act;

268 (5) Upon receipt of final approval by the committee, disburse moneys
269 from the fund exclusively for permissible expenditures set forth in
270 section 2 of this act;

271 (6) Approve suspensions of allocations of moneys from the fund to
272 recipients found by the committee or commissioner to (A) be
273 substantially out of compliance with applicable contracts, policies,
274 procedures, rules, regulations or state or federal law, or (B) have used
275 such awards for a purpose other than an approved purpose, provided
276 the committee may resume approval of such allocations once the
277 committee has determined the recipient has adequately remedied the
278 cause of such suspension;

279 (7) Maintain oversight over the expenditure of moneys from the fund
280 to ensure moneys are used exclusively for the purposes set forth in
281 section 2 of this act; and

282 (8) Implement and publish on the department's Internet web site
283 policies and procedures for administration of the committee and for the
284 application, awarding and disbursement of moneys from the fund, to be
285 used for the purposes set forth in section 2 of this act.

286 (h) On or before October 1 2023, and annually thereafter, recipients
287 of moneys from the fund shall file with the committee an annual report
288 for the prior fiscal year detailing the effectiveness of infrastructure,
289 programs, services, supports or resources that were funded, including,
290 but not limited to, the following:

291 (1) A description of how the recipient used the moneys for their

292 intended purposes;

293 (2) The number of individuals served, delineated by race, age, gender
294 and any other relevant demographic factor, which shall be reported in a
295 deidentified manner;

296 (3) A specific analysis of whether the infrastructure, program, service,
297 support or resources reduced mortality or improved prevention,
298 treatment, harm reduction or recovery outcomes; and

299 (4) If a plan to ensure the sustainability of the infrastructure, program,
300 service, support or resources funded exists, a summary of such plan.

301 (i) The committee shall hold quarterly public meetings. A meeting
302 may be called by the chairperson or by a majority of the committee's
303 members. Members may attend meetings in person, remotely by
304 audiovisual means or, upon approval by the chairperson, by audio-only
305 means. For each meeting of the committee, a majority of the voting
306 members shall constitute a quorum for the transaction of business. If
307 there is a quorum, then all actions of the committee shall be taken by an
308 affirmative vote of a majority of the members present at the meeting.
309 Each voting member shall have one vote. The committee shall terminate
310 when all moneys received pursuant to section 2 of this act have been
311 received and disbursed unless the Attorney General certifies that
312 additional moneys are anticipated.

313 (j) The department shall create and maintain an Internet web site
314 where the committee shall publish (1) meeting minutes, including, but
315 not limited to, records of all votes to approve expenditures of moneys
316 from the fund, (2) recipient agreements and reports required under
317 subsection (h) of this section, (3) policies and procedures approved by
318 the committee, and (4) the committee's annual reports.

319 Sec. 4. (NEW) (*Effective July 1, 2022*) The department shall disburse
320 moneys from the fund in a manner consistent with the limitations on
321 uses of litigation proceeds set forth in any controlling court order. If a
322 controlling court order permits expenditures other than or in excess of

323 expenditures authorized under section 2 of this act, the department shall
324 adhere to the limitations on use of moneys set forth in section 2 of this
325 act. If the provisions of section 2 of this act permit expenditures other
326 than or in excess of those authorized in a controlling court order, the
327 department shall adhere to the limitations on use of moneys set forth in
328 the court order.

329 Sec. 5. (NEW) (*Effective July 1, 2022*) (a) Not later than January 15,
330 2023, and annually thereafter, the committee shall report, in accordance
331 with the provisions of section 11-4a of the general statutes, to the joint
332 standing committees of the General Assembly having cognizance of
333 matters relating to public health and appropriations and the budgets of
334 state agencies, on the activities carried out by the committee pursuant
335 to sections 2 to 4, inclusive, of this act, including, but not limited to, the
336 following:

337 (1) The opening and closing balance of the fund for the most recent
338 fiscal year;

339 (2) An accounting of all credits to, and expenditures from, the fund;

340 (3) An inventory of fund investments as of the most recent fiscal year
341 and the net income the fund earned for the most recent fiscal year as
342 determined by the State Treasurer pursuant to section 2 of this act;

343 (4) The name and a description of each recipient of moneys from the
344 fund, and the amount awarded to such recipient;

345 (5) A description of each award's intended use, including, but not
346 limited to, the (A) specific program, service or resource funded, (B)
347 population served, and (C) measures that the recipient will use to assess
348 the impact of the award;

349 (6) The primary criteria used to determine each recipient and its
350 respective award amount;

351 (7) A summary of information included in the recipient report
352 required under subsection (h) of section 3 of this act;

353 (8) All applications for an award of moneys from the fund received
354 during the most recent fiscal year;

355 (9) A description of any finding or concern as to whether all moneys
356 disbursed from the fund, other than expenses authorized under section
357 2 of this act, supplemented, and did not supplant or replace, any existing
358 or future local, state or federal government funding;

359 (10) The performance indicators and progress toward achieving the
360 goals and objectives developed pursuant to section 3 of this act,
361 including, but not limited to, metrics on improving outcomes and
362 reducing mortality and other harms related to substance use disorders;

363 (11) The dollar amount and the percentage of the fund balance
364 incurred for expenses of administering and staffing the fund and the
365 committee during the most recent fiscal year;

366 (12) The dollar amount and the percentage of the fund balance
367 incurred for expenses associated with managing, investing and
368 disbursing moneys in the fund during the most recent fiscal year; and

369 (13) An explanation of any funds certified by the commissioner and
370 Attorney General pursuant to section 2 of this act as being inconsistent
371 with the intent of this section and sections 2 to 4, inclusive, of this act
372 and the account or fund where such funds were deposited.

373 (b) The commissioner shall post the report required under subsection
374 (a) of this section on the department's Internet web site.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2022	New section
Sec. 2	July 1, 2022	New section
Sec. 3	July 1, 2022	New section
Sec. 4	July 1, 2022	New section
Sec. 5	July 1, 2022	New section

Statement of Purpose:

To implement the Governor's budget recommendations.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]