



General Assembly

Substitute Bill No. 5044

February Session, 2022



**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) "Prevention" means efforts to avoid the development and
38 progression of substance use disorders and drug-related harms.

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

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

46 (11) "Treatment" means a service to intervene upon, care for, manage,
47 slow progression of or support recovery from a substance use disorder
48 or co-occurring mental health disorder. "Treatment" includes, but is not
49 limited to, an individualized service to address a person's medical
50 needs, including, screening for and diagnosing of substance use
51 disorders and co-occurring mental or physical health disorders and
52 pharmacological and nonpharmacological therapeutic interventions.

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

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

63 (c) Notwithstanding any provision of subsection (b) of this section, if
64 the commissioner and the Attorney General certify that the purposes of
65 such judgment, consent decree or settlement are inconsistent with the
66 intent of the provisions of this section and sections 3 to 5, inclusive, of
67 this act, the commissioner and Attorney General (1) shall report in
68 writing to the committee such certification, including any identification
69 by the commissioner and Attorney General of an alternate fund or
70 account and explanation of the reasons for depositing such moneys in
71 such alternate fund or account, and (2) may deposit such moneys into
72 such alternate fund or account. The commissioner and Attorney General
73 shall jointly report, in accordance with the provisions of section 11-4a of
74 the general statutes, to the joint standing committee of the General
75 Assembly having cognizance of matters relating to public health
76 regarding the intended use of such moneys in such alternate fund or
77 account prior to allocating such moneys for other purposes.

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

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

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

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

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

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

95 (3) Programs, services, supports and resources for evidence-based
96 substance use disorder prevention, treatment, recovery or harm
97 reduction;

98 (4) Evidence-informed substance use disorder prevention, treatment,
99 recovery or harm reduction pilot programs or demonstration studies
100 that are not evidence-based, but are approved by the committee as an
101 appropriate use of moneys for a limited period of time as specified by
102 the committee, provided the committee shall assess whether the
103 evidence supports funding such programs or studies or whether it
104 provides a basis for funding such programs or studies with an
105 expectation of creating an evidence base for such programs and studies;

106 (5) Evaluation of effectiveness and outcomes reporting for substance

107 use disorder abatement infrastructure, programs, services, supports and
108 resources for which moneys from the fund have been disbursed,
109 including, but not limited to, impact on access to harm reduction
110 services or treatment for substance use disorders or reduction in drug-
111 related mortality;

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

118 (7) Expenses incurred in administering and staffing the fund and the
119 committee, as permitted by the controlling judgment, consent decree or
120 settlement; and

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

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

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

129 (3) Proceeds derived from any state settlement of claims against a
130 defendant shall be allocated and disbursed only to those municipalities
131 that execute an agreement to participate in such settlement and adhere
132 to the terms of such agreement, provided the allocation or disbursement
133 of such settlement proceeds for the benefit of persons within
134 municipalities that do not execute an agreement to participate in such
135 settlement or do not adhere to the terms of such agreement shall not be
136 precluded or limited.

137 (4) Governmental and private provider, nongovernmental entities
138 shall be eligible to receive moneys from the fund for programs, services,
139 supports and resources for prevention, treatment, recovery and harm
140 reduction.

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

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

170 previous fiscal year for such substance use disorder abatement
171 infrastructure, program, service, support or resource.

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

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

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

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

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

186 (4) The president pro tempore of the Senate, the speaker of the House
187 of Representatives, the majority leaders of the Senate and House of
188 Representatives and the minority leaders of the Senate and House of
189 Representatives, or their designees;

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

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

195 (7) Seven individuals appointed by the commissioner as follows: (A)
196 Two individuals in recovery from a substance use disorder or
197 representing an advocacy group for individuals with a substance use

198 disorder; (B) a provider of community-based substance use treatment
199 services for adults, who shall be a nonvoting member; (C) a provider of
200 community-based substance use treatment services for adolescents,
201 who shall be a nonvoting member; (D) an addiction medicine licensed
202 health care professional with prescribing ability, who shall be a
203 nonvoting member; and (E) two family members of individuals with a
204 substance use disorder.

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

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

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

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

225 (1) Recommend and approve policies and procedures for
226 administration of the committee and criteria for the application,
227 awarding and disbursement of moneys from the fund, to be used for the
228 purposes set forth in section 2 of this act;

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

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

239 (g) The department shall:

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

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

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

260 (4) Evaluate applications and make recommendations to the
261 committee for the awarding of contracts and disbursements of moneys
262 from the fund exclusively for permissible expenditures set forth in
263 section 2 of this act;

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

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

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

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

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

287 (1) A description of how the recipient used the moneys for their
288 intended purposes;

289 (2) The number of individuals served, delineated by race, age, gender

290 and any other relevant demographic factor, which shall be reported in a
291 deidentified manner;

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

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

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

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

315 Sec. 4. (NEW) (*Effective July 1, 2022*) The department shall disburse
316 moneys from the fund in a manner consistent with the limitations on
317 uses of litigation proceeds set forth in any controlling court order. If a
318 controlling court order permits expenditures other than or in excess of
319 expenditures authorized under section 2 of this act, the department shall
320 adhere to the limitations on use of moneys set forth in section 2 of this

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

325 Sec. 5. (NEW) (*Effective July 1, 2022*) (a) Not later than January 15,
326 2023, and annually thereafter, the committee shall report, in accordance
327 with the provisions of section 11-4a of the general statutes, to the joint
328 standing committees of the General Assembly having cognizance of
329 matters relating to public health and appropriations and the budgets of
330 state agencies, on the activities carried out by the committee pursuant
331 to sections 2 to 4, inclusive, of this act, including, but not limited to, the
332 following:

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

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

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

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

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

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

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

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

351 (9) A description of any finding or concern as to whether all moneys
352 disbursed from the fund, other than expenses authorized under section
353 2 of this act, supplemented, and did not supplant or replace, any existing
354 or future local, state or federal government funding;

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

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

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

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

369 (b) The commissioner shall post the report required under subsection
370 (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 Legislative Commissioners:

In Section 1, Subdivs. (8) and (12) were deleted and the remaining subdivisions were renumbered for clarity.

PH *Joint Favorable Subst.*