



General Assembly

**Amendment**

February Session, 2022

LCO No. 5386



Offered by:  
REP. STEINBERG, 136<sup>th</sup> Dist.

To: Subst. House Bill No. 5044

File No. 124

Cal. No. 132

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

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

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

5 (1) "Commissioner" means the Commissioner of Mental Health and  
6 Addiction Services.

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

9 (3) "Department" means the Department of Mental Health and  
10 Addiction Services.

11 (4) "Evidence-based" means meeting one of the following evidentiary  
12 criteria for an activity, practice, program, service, support or strategy:

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

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

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

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

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

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

44 (10) "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 (11) "Treatment" means a service to intervene upon, care for, manage,  
49 slow progression of or support recovery from a substance use disorder  
50 or co-occurring mental health disorder. "Treatment" includes, but is not  
51 limited to, an individualized service to address a person's medical  
52 needs, including, screening for and diagnosing of substance use  
53 disorders and co-occurring mental or physical health disorders and  
54 pharmacological and nonpharmacological therapeutic interventions.

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

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

65 (c) Notwithstanding any provision of subsection (b) of this section, if  
66 the commissioner and the Attorney General certify that the purposes of  
67 such judgment, consent decree or settlement are inconsistent with the  
68 intent of the provisions of this section and sections 3 to 5, inclusive, of  
69 this act, the commissioner and Attorney General (1) shall report in  
70 writing to the committee such certification, including any identification  
71 by the commissioner and Attorney General of an alternate fund or  
72 account and explanation of the reasons for depositing such moneys in  
73 such alternate fund or account, and (2) may deposit such moneys into  
74 such alternate fund or account. The commissioner and Attorney General  
75 shall jointly report, in accordance with the provisions of section 11-4a of

76 the general statutes, to the joint standing committee of the General  
77 Assembly having cognizance of matters relating to public health  
78 regarding the intended use of such moneys in such alternate fund or  
79 account prior to allocating such moneys for other purposes.

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

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

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

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

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

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

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

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

106 provides a basis for funding such programs or studies with an  
107 expectation of creating an evidence base for such programs and studies;

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

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

120 (7) Research on opioid abatement, including, but not limited to,  
121 development of evidence-based treatment, barriers to treatment,  
122 nonopioid treatment of chronic pain and harm reduction supply-side  
123 enforcement;

124 (8) Documented expenses incurred in administering and staffing the  
125 fund and the committee and expenses, including, but not limited to,  
126 legal fees, incurred by the state or any municipality in securing  
127 settlement proceeds, deposited in the fund as permitted by the  
128 controlling judgment, consent decree or settlement;

129 (9) Documented expenses associated with managing, investing and  
130 disbursing moneys in the fund; and

131 (10) Documented expenses, including legal fees, incurred by the state  
132 or any municipality in securing settlement proceeds deposited in the  
133 fund to the extent such expenses are not otherwise reimbursed pursuant  
134 to a fee agreement provided for by the controlling judgment, consent  
135 decree or settlement.

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

138 (2) Except as permitted by subdivision (8) of subsection (e) of this  
139 section, or unless otherwise required by court order to refund to the  
140 federal government a portion of the proceeds, moneys in the fund shall  
141 be used for prospective purposes and shall not be used to reimburse  
142 expenditures incurred prior to July 1, 2022.

143 (3) Proceeds derived from any state settlement of claims against a  
144 defendant shall be allocated and disbursed only to those municipalities  
145 that execute an agreement to participate in such settlement and adhere  
146 to the terms of such agreement, provided the allocation or disbursement  
147 of such settlement proceeds for the benefit of persons within  
148 municipalities that do not execute an agreement to participate in such  
149 settlement or do not adhere to the terms of such agreement shall not be  
150 precluded or limited.

151 (4) Governmental and nonprofit nongovernmental entities shall be  
152 eligible to receive moneys from the fund for programs, services,  
153 supports and resources for prevention, treatment, recovery and harm  
154 reduction.

155 (5) Subject to the provisions of subdivision (6) of this subsection, fund  
156 disbursements shall be made by the commissioner upon approval of the  
157 committee. The commissioner shall not make or refuse to make any  
158 disbursement allowable under this subsection without the approval of  
159 the committee. The commissioner shall adhere to the committee's  
160 decisions regarding disbursement of moneys from the fund, provided  
161 such disbursement is a permissible expenditure under this section. The  
162 commissioner's role in the distribution of moneys after the distribution  
163 has been approved by the committee and after the review and approval  
164 required under subsection (e) of this section shall be ministerial and  
165 shall not be discretionary.

166 (6) Moneys expended from the fund for the purposes set forth in  
167 subsection (d) of this section shall be supplemental to, and shall not

168 supplant or take the place of, any other funds, including, but not limited  
169 to, insurance benefits or local, state or federal funding, that would  
170 otherwise have been expended for such purposes. The commissioner  
171 shall not disburse moneys from the fund during any fiscal year unless  
172 the Secretary of the Office of Policy and Management transmits to the  
173 committee a letter verifying that funds appropriated and allocated in  
174 such fiscal year's budget for substance use disorder abatement  
175 infrastructure, programs, services, supports and resources for  
176 prevention, treatment, recovery and harm reduction are in an amount  
177 not less than the sum of the funds for such purposes appropriated and  
178 allocated in the previous fiscal year's budget. As used in this  
179 subdivision, "supplemental" means additional funding, consistent with  
180 the provisions of this section, for substance use disorder abatement  
181 infrastructure or a substance use disorder abatement program, service,  
182 support or resource to ensure that funding in the current fiscal year  
183 exceeds the sum of federal, state, and local funds allocated in the  
184 previous fiscal year for such substance use disorder abatement  
185 infrastructure, program, service, support or resource.

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

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

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

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

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

200 (4) The president pro tempore of the Senate, the speaker of the House  
201 of Representatives, the majority leaders of the Senate and House of  
202 Representatives, the minority leaders of the Senate and House of  
203 Representatives, the Senate and House chairpersons of the joint  
204 standing committee of the General Assembly having cognizance of  
205 matters relating to appropriations and the budgets of state agencies, or  
206 their designees, provided such persons have experience living with a  
207 substance or disorder or are the family member of a person who has  
208 experience living with a substance use disorder;

209 (5) Seventeen individuals representing municipalities, who shall be  
210 appointed by the Governor;

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

214 (7) Six individuals appointed by the commissioner as follows: (A) A  
215 provider of community-based substance use treatment services for  
216 adults, who shall be a nonvoting member; (B) a provider of community-  
217 based substance use treatment services for adolescents, who shall be a  
218 nonvoting member; (C) an addiction medicine licensed health care  
219 professional with prescribing ability, who shall be a nonvoting member;  
220 and (D) three individuals with experience living with a substance use  
221 disorder or family members of an individual with experience living  
222 with a substance use disorder.

223 (c) The commissioner shall be co-chairperson of the committee. The  
224 speaker of the House of Representatives and the president pro tempore  
225 of the Senate shall appoint a co-chairperson from among the individuals  
226 representing municipalities appointed pursuant to subdivision (5) of  
227 subsection (b) of this section. The co-chairpersons of the committee shall  
228 be nonvoting members.

229 (d) Notwithstanding any other provision of the general statutes, it  
230 shall not be a conflict of interest for a trustee, director, officer or  
231 employee of an organization, or for any person having a financial



232 interest in such organization, to serve as a member of the committee,  
233 provided such trustee, director, officer, employee or person shall  
234 disclose such position or interest to all other members of the committee  
235 and abstain from deliberation, action and vote by the committee under  
236 this section that specifically concerns the organization of which such  
237 member is a trustee, director, officer or employee, or in which such  
238 member has a financial interest.

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

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

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

252 (2) Recommend and approve goals, objectives, rationales for such  
253 goals and objectives, sustainability plans and performance indicators  
254 relating to: (A) Substance use disorder prevention, treatment, recovery  
255 and harm reduction efforts, including, but not limited to, methods of  
256 engaging persons who utilize harm reduction services in treatment and  
257 recovery; (B) reducing disparities in access to prevention, treatment,  
258 recovery and harm reduction programs, services, supports and  
259 resources; and (C) improving health outcomes in traditionally  
260 underserved populations, including, but not limited to, persons who  
261 live in rural or tribal communities, are members of racial or ethnic  
262 minorities or were formerly incarcerated; and

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

264 (g) Notwithstanding the provisions of section 2-5 of the general  
265 statutes, the department shall:

266 (1) Employ a full-time manager of the committee and provide public  
267 health research and policy expertise, support staff, facilities, technical  
268 assistance and other resources to (A) assist the manager of the  
269 committee in planning and supporting the functions of the committee,  
270 including ensuring that proceeds received by this state pursuant to  
271 section 2 of this act are allocated and spent on substance use disorder  
272 abatement infrastructure, programs, services, supports, and resources  
273 for prevention, treatment, recovery and harm reduction, and (B) ensure  
274 robust public involvement, accountability and transparency in  
275 allocating and accounting for the moneys in the fund;

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

279 (3) Prepare for review and approval by the committee of the  
280 department's goals, objectives, rationales for such goals and objectives,  
281 sustainability plans and performance indicators relating to (A)  
282 substance use disorder prevention, treatment, recovery and harm  
283 reduction efforts, including, but not limited to, methods of engaging  
284 persons who utilize harm reduction services in treatment and recovery,  
285 and (B) reducing disparities in access to prevention, treatment, recovery  
286 and harm reduction programs, services, supports and resources;

287 (4) Evaluate applications and make recommendations to the  
288 committee for the awarding of contracts and disbursements of moneys  
289 from the fund exclusively for permissible expenditures set forth in  
290 section 2 of this act;

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

294 (6) Approve suspensions of allocations of moneys from the fund to

295 recipients found by the committee or commissioner to (A) be  
296 substantially out of compliance with applicable contracts, policies,  
297 procedures, rules, regulations or state or federal law, or (B) have used  
298 such awards for a purpose other than an approved purpose, provided  
299 the committee may resume approval of such allocations once the  
300 committee has determined the recipient has adequately remedied the  
301 cause of such suspension;

302 (7) Maintain oversight over the expenditure of moneys from the fund  
303 to ensure moneys are used exclusively for the purposes set forth in  
304 section 2 of this act, including, but not limited to, implementing  
305 procedures for evaluating the effectiveness of the infrastructure,  
306 programs, services, supports or resources that are funded pursuant to  
307 said section; and

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

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

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

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

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

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

327 (i) The committee shall hold quarterly public meetings. A meeting  
328 may be called by the chairperson or by a majority of the committee's  
329 members. Members may attend meetings in person, remotely by  
330 audiovisual means or, upon approval by the chairperson, by audio-only  
331 means. For each meeting of the committee, a majority of the voting  
332 members shall constitute a quorum for the transaction of business. If  
333 there is a quorum, then all actions of the committee shall be taken by an  
334 affirmative vote of a majority of the members present at the meeting.  
335 Each voting member shall have one vote. The committee shall terminate  
336 when all moneys received pursuant to section 2 of this act have been  
337 received and disbursed unless the Attorney General certifies that  
338 additional moneys are anticipated.

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

345 Sec. 4. (NEW) (*Effective July 1, 2022*) The department shall disburse  
346 moneys from the fund in a manner consistent with the limitations on  
347 uses of litigation proceeds set forth in any controlling court order. If a  
348 controlling court order permits expenditures other than or in excess of  
349 expenditures authorized under section 2 of this act, the department shall  
350 adhere to the limitations on use of moneys set forth in section 2 of this  
351 act. If the provisions of section 2 of this act permit expenditures other  
352 than or in excess of those authorized in a controlling court order, the  
353 department shall adhere to the limitations on use of moneys set forth in  
354 the court order.

355 Sec. 5. (NEW) (*Effective July 1, 2022*) (a) Not later than January 15,  
356 2023, and annually thereafter, the committee shall report, in accordance

357 with the provisions of section 11-4a of the general statutes, to the joint  
358 standing committees of the General Assembly having cognizance of  
359 matters relating to public health and appropriations and the budgets of  
360 state agencies, on the activities carried out by the committee pursuant  
361 to sections 2 to 4, inclusive, of this act, including, but not limited to, the  
362 following:

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

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

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

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

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

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

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

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

381 (9) A description of any finding or concern as to whether all moneys  
382 disbursed from the fund, other than expenses authorized under section  
383 2 of this act, supplemented, and did not supplant or replace, any existing  
384 or future local, state or federal government funding;

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

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

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

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

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

401 Sec. 6. (NEW) (*Effective July 1, 2022*) Nothing in sections 1 to 5,  
402 inclusive, of this act shall preclude the funding of a trust for direct  
403 support and services for survivors and victims of the opioid epidemic  
404 and the family members of such survivors and victims who have been  
405 directly impacted by such epidemic, pursuant to the settlement  
406 agreement dated March 11, 2022, between the Nine, identified in such  
407 settlement agreement as eight states, including this state, and the  
408 District of Columbia, and the Sackler parties."

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

---

Sec. 6	July 1, 2022	New section
--------	--------------	-------------