



General Assembly

Amendment

February Session, 2022

LCO No. 5349



Offered by:
REP. STEINBERG, 136th 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) Expenses incurred in administering and staffing the fund and the
125 committee and expenses, including, but not limited to, legal fees,
126 incurred by the state or any municipality in securing settlement
127 proceeds, deposited in the fund as permitted by the controlling
128 judgment, consent decree or settlement; and

129 (9) Expenses associated with managing, investing and disbursing
130 moneys in the fund.

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

133 (2) Except as permitted by subdivision (8) of subsection (e) of this
134 section, or unless otherwise required by court order to refund to the
135 federal government a portion of the proceeds, moneys in the fund shall

136 be used for prospective purposes and shall not be used to reimburse
137 expenditures incurred prior to July 1, 2022.

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

146 (4) Governmental and nonprofit nongovernmental entities shall be
147 eligible to receive moneys from the fund for programs, services,
148 supports and resources for prevention, treatment, recovery and harm
149 reduction.

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

161 (6) Moneys expended from the fund for the purposes set forth in
162 subsection (d) of this section shall be supplemental to, and shall not
163 supplant or take the place of, any other funds, including, but not limited
164 to, insurance benefits or local, state or federal funding, that would
165 otherwise have been expended for such purposes. The commissioner
166 shall not disburse moneys from the fund during any fiscal year unless
167 the Secretary of the Office of Policy and Management transmits to the

168 committee a letter verifying that funds appropriated and allocated in
169 such fiscal year's budget for substance use disorder abatement
170 infrastructure, programs, services, supports and resources for
171 prevention, treatment, recovery and harm reduction are in an amount
172 not less than the sum of the funds for such purposes appropriated and
173 allocated in the previous fiscal year's budget. As used in this
174 subdivision, "supplemental" means additional funding, consistent with
175 the provisions of this section, for substance use disorder abatement
176 infrastructure or a substance use disorder abatement program, service,
177 support or resource to ensure that funding in the current fiscal year
178 exceeds the sum of federal, state, and local funds allocated in the
179 previous fiscal year for such substance use disorder abatement
180 infrastructure, program, service, support or resource.

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

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

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

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

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

195 (4) The president pro tempore of the Senate, the speaker of the House
196 of Representatives, the majority leaders of the Senate and House of
197 Representatives, the minority leaders of the Senate and House of
198 Representatives, the Senate and House chairpersons of the joint

199 standing committee of the General Assembly having cognizance of
200 matters relating to appropriations and the budgets of state agencies, or
201 their designees, provided such persons have experience living with a
202 substance or disorder or are the family member of a person who has
203 experience living with a substance use disorder;

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

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

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

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

224 (d) Notwithstanding any other provision of the general statutes, it
225 shall not be a conflict of interest for a trustee, director, officer or
226 employee of an organization, or for any person having a financial
227 interest in such organization, to serve as a member of the committee,
228 provided such trustee, director, officer, employee or person shall
229 disclose such position or interest to all other members of the committee
230 and abstain from deliberation, action and vote by the committee under

231 this section that specifically concerns the organization of which such
232 member is a trustee, director, officer or employee, or in which such
233 member has a financial interest.

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

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

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

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

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

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

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

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

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

282 (4) Evaluate applications and make recommendations to the
283 committee for the awarding of contracts and disbursements of moneys
284 from the fund exclusively for permissible expenditures set forth in
285 section 2 of this act;

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

289 (6) Approve suspensions of allocations of moneys from the fund to
290 recipients found by the committee or commissioner to (A) be
291 substantially out of compliance with applicable contracts, policies,
292 procedures, rules, regulations or state or federal law, or (B) have used

293 such awards for a purpose other than an approved purpose, provided
294 the committee may resume approval of such allocations once the
295 committee has determined the recipient has adequately remedied the
296 cause of such suspension;

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

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

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

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

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

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

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

322 (i) The committee shall hold quarterly public meetings. A meeting

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

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

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

350 Sec. 5. (NEW) (*Effective July 1, 2022*) (a) Not later than January 15,
351 2023, and annually thereafter, the committee shall report, in accordance
352 with the provisions of section 11-4a of the general statutes, to the joint
353 standing committees of the General Assembly having cognizance of
354 matters relating to public health and appropriations and the budgets of
355 state agencies, on the activities carried out by the committee pursuant

356 to sections 2 to 4, inclusive, of this act, including, but not limited to, the
357 following:

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

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

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

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

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

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

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

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

376 (9) A description of any finding or concern as to whether all moneys
377 disbursed from the fund, other than expenses authorized under section
378 2 of this act, supplemented, and did not supplant or replace, any existing
379 or future local, state or federal government funding;

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

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

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

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

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

396 Sec. 6. (NEW) (*Effective July 1, 2022*) Nothing in sections 1 to 5,
397 inclusive, of this act shall preclude the funding of a trust for direct
398 support and services for survivors and victims of the opioid epidemic
399 and the family members of such survivors and victims who have been
400 directly impacted by such epidemic, pursuant to the settlement
401 agreement dated March 11, 2022, between the Nine, identified in such
402 settlement agreement as eight states, including this state, and the
403 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	<i>July 1, 2022</i>	New section