

Introduced by

Representatives Weisz, Lefor, Nelson, Stemen, Vigesaa

Senators Bekkedahl, Lee

1 A BILL for an Act to create and enact a new chapter to title 50 of the North Dakota Century
2 Code, relating to creation of the opioid settlement fund, creation of the opioid settlement
3 advisory committee, and use of opioid settlement funds; to amend and reenact subsection 1 of
4 section 21-10-06 of the North Dakota Century Code and section 5 of chapter 3 of the 2021
5 Session Laws, relating to funds under management of the state investment board and the
6 funding of the opioid treatment and prevention program; to provide an appropriation; to provide
7 for a transfer; to provide for application; and to declare an emergency.

8 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

9 **SECTION 1. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century
10 Code is amended and reenacted as follows:

- 11 1. Subject to the provisions of section 21-10-02, the board shall invest the following
12 funds:
- 13 a. State bonding fund.
 - 14 b. Teachers' fund for retirement.
 - 15 c. State fire and tornado fund.
 - 16 d. Workforce safety and insurance fund.
 - 17 e. Public employees retirement system.
 - 18 f. Insurance regulatory trust fund.
 - 19 g. State risk management fund.
 - 20 h. Budget stabilization fund.
 - 21 i. Water projects stabilization fund.
 - 22 j. Health care trust fund.
 - 23 k. Cultural endowment fund.
 - 24 l. Petroleum tank release compensation fund.

- 1 m. Legacy fund.
- 2 n. Legacy earnings fund.
- 3 o. Opioid settlement fund.
- 4 p. A fund under contract with the board pursuant to subsection 3.

5 **SECTION 2.** A new chapter to title 50 of the North Dakota Century Code is created and
6 enacted as follows:

7 **Definitions.**

8 As used in this chapter:

- 9 1. "Committee" means the opioid settlement advisory committee.
- 10 2. "Department" means the department of health and human services.
- 11 3. "Fund" means the opioid settlement fund.
- 12 4. "Opioid litigation" means statewide opioid settlement agreements, judgments, or other
13 recoveries in connection with a defendant's actual or alleged liability for contributing to
14 the opioid crisis in this state which must be used for purposes of remediating or
15 abating the opioid crisis in this state.

16 **Opioid settlement fund.**

17 There is created in the state treasury an opioid settlement fund. Moneys ~~collected~~recovered
18 by the state ~~and the state's political subdivisions~~ as a result of opioid litigation must be
19 deposited in the fund. Moneys recovered by a political subdivision as a result of opioid litigation
20 may be deposited in the fund. The state investment board shall invest moneys in the fund and
21 income earned on the moneys in the fund must be credited to the fund. Moneys in the fund may
22 be used in compliance with any court-ordered restrictions and as authorized by legislative
23 appropriation and this chapter; however, legislative appropriations from the fund may not
24 exceed eight million dollars in a biennium. The fund does not include funds not retained by the
25 state pursuant to law or court order.

26 **Opioid settlement advisory committee.**

- 27 1. The committee is composed of:
 - 28 a. One member of the North Dakota association of counties appointed by the
29 chairman of legislative management, who shall serve a term of two years.
 - 30 b. One member of the North Dakota league of cities appointed by the chairman of
31 legislative management, who shall serve a term of two years.

- 1 c. One member of the North Dakota state association of city and county health
- 2 officials appointed by the chairman of legislative management, who shall serve a
- 3 term of two years.
- 4 d. One member who represents the highway patrol appointed by the highway patrol
- 5 superintendent, who shall serve a term of two years.
- 6 e. The executive director of the department's division of behavioral health.
- 7 f. The managing director of the office of recovery reinvented.
- 8 g. One member appointed by the governor who shall serve as a nonvoting member
- 9 and as the presiding officer of the committee, who shall serve a term of two
- 10 years.
- 11 2. The committee shall forward recommendations to the department on spending
- 12 decisions of the legislatively appropriated funds for remediation or abatement of the
- 13 opioid crisis in this state.
- 14 a. The committee shall develop a process for receiving spending recommendation
- 15 input from political subdivisions and the public.
- 16 b. The committee shall develop a process for making recommendations to the
- 17 department under this subsection.

18 **Department of health and human services - Report to budget section.**

- 19 1. The department shall develop a process for receiving and evaluating spending
- 20 recommendations of the committee.
- 21 2. Annually, each political subdivision that recovers and retains moneys as a result of
- 22 opioid litigation shall submit to the department a report detailing the decisions of the
- 23 governing body of the political subdivision regarding use of the moneys.
- 24 3. Annually, the department shall make a report to the budget section of the legislative
- 25 management on the status of the fund and of spending decisions made by the
- 26 department and the political subdivisions under this chapter.

27 **Opioid remediation and abatement spending decisions - Implementation.**

- 28 1. The department's spending decisions of the legislatively appropriated funds from the
- 29 fund for remediating and abating the opioid crisis must follow the following formula:
- 30 a. Seventy percent of the legislatively appropriated funds must be designated for
- 31 services and supports for individuals with opioid substance use disorder.

- 1 b. Twenty percent of the legislatively appropriated funds must be designated for
2 opioid use prevention and overdose prevention.
- 3 c. Ten percent of the legislatively appropriated funds must be designated for other
4 opioid remediation and abatement efforts.
- 5 2. The department shall implement or assist with the implementation of spending
6 decisions made under this chapter.

7 **Political subdivisions - Public health units.**

- 8 1. A political subdivision that recovers moneys as a result of opioid litigation may deposit
9 the moneys in the fund or may retain the moneys and transfer the moneys to the
10 public health unit that provides services to that political subdivision.
- 11 2. A political subdivision that recovers and retains moneys as a result of opioid litigation
12 shall collaborate with a public health unit on the use of the moneys for local programs
13 for remediating and abating the opioid crisis. The use of moneys under this subsection
14 must be in compliance with any court-ordered restrictions. The political subdivision
15 and public health unit shall work together to ensure all reporting requirements are met.

16 **SECTION 3. AMENDMENT.** Section 5 of chapter 3 of the 2021 Session Laws is amended
17 and reenacted as follows:

18 **SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID**
19 **SETTLEMENT FUND - OPIOID ADDICTION PREVENTION AND TREATMENT**

20 **PROGRAM - APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN**

21 **SERVICES - ONE-TIME FUNDING - REPORT.** The office of management and budget

22 shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds

23 deposited in the attorney general refund fund to the ~~department of human-~~

24 ~~services~~opioid settlement fund which is appropriated to the department of health and

25 human services for the purpose of defraying the expenses of an opioid addiction

26 prevention and treatment program during the biennium beginning July 1, 2021, and

27 ending June 30, 2023. The department of health and human services shall consult

28 with the attorney general on the use of funding for the program. The attorney general

29 shall notify the legislative council and office of management and budget of any lawsuit

30 settlement proceeds that become available for transfer to the department of health and

31 human services for this program. This funding is considered a one-time funding item.

1 ~~SECTION 3. AUTHORITY OF ATTORNEY GENERAL - OPIOID LITIGATION - POLITICAL~~
2 ~~SUBDIVISIONS - OFFSET OF UNRETURNED FUNDS.~~ The attorney general may release all
3 existing opioid claims and bar future opioid claims by the political subdivisions of this state. The
4 attorney general shall request from each political subdivision that collected opioid settlement
5 funds before the effective date of this Act, the return of all unobligated funds for deposit by the
6 attorney general in the opioid settlement fund. If a political subdivision does not return the
7 unobligated funds, the department of health and human services shall offset from any funds
8 designated under section 2 of this Act for opioid remediation and abatement efforts for that
9 political subdivision an amount equal to the amount of unobligated funds that were are not
10 returned to the state.

11 **SECTION 4. APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES -**
12 **OPIOID REMEDIATION AND ABATEMENT.** There is appropriated out of any moneys in the
13 opioid settlement fund in the state treasury, not otherwise appropriated, the sum of \$8,000,000,
14 or so much of the sum as may be necessary, to the department of health and human services
15 for the purpose of opioid remediation and abatement efforts under section 2 of this Act, for the
16 biennium beginning July 1, 2023, and ending June 30, 2025.

17 **SECTION 5. TRANSFER - OFFICE OF MANAGEMENT AND BUDGET - OPIOID**
18 **SETTLEMENT FUND.** The office of management and budget shall transfer to the opioid
19 settlement fund all funds received by the state and any political subdivision of the state from
20 opioid settlements and litigation during the period beginning March 1, 2021, and the effective
21 date of this Act, and any additional funds received during the period beginning on the effective
22 date of this Act, and ending June 30, 2025.

23 **SECTION 6. APPLICATION.** To initiate staggered terms of the members of the opioid
24 advisory committee, the initial appointments for the positions representing the North Dakota
25 association of counties representative and the North Dakota state association of city and county
26 health officials representative must be for one year.

27 **SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure.