

# SENATE BILL 419

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CF HB 1086

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By: ~~Senator Feldman~~ Senators Feldman, Benson, Beidle, and Klausmeier

Introduced and read first time: January 26, 2022

Assigned to: Finance

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Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: February 24, 2022

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Opioid Restitution Fund – Appropriation of Settlement Funds and Grant**  
3 **Program**

4 FOR the purpose of requiring the appropriation of certain funds from the Opioid Restitution  
5 Fund to be made in accordance with certain settlement agreements; requiring the  
6 Secretary of Health to establish and administer a grant program for the distribution  
7 of certain opioid restitution funds to political subdivisions in accordance with a  
8 certain agreement; requiring the Attorney General to identify and designate the  
9 controlling version of the settlement agreements; and generally relating to the  
10 Opioid Restitution Fund.

11 BY repealing and reenacting, with amendments,  
12 Article – State Finance and Procurement  
13 Section 7–331  
14 Annotated Code of Maryland  
15 (2021 Replacement Volume)  
16 (As enacted by Chapter 537 of the Acts of the General Assembly of 2019)

17 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
18 That the Laws of Maryland read as follows:

19 **Article – State Finance and Procurement**

20 7–331.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 (a) In this section, “Fund” means the Opioid Restitution Fund.

2 (b) There is an Opioid Restitution Fund.

3 (c) The purpose of the Fund is to retain the amount of settlement revenues  
4 deposited to the Fund in accordance with subsection (e)(1) of this section.

5 (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of  
6 this subtitle.

7 (2) The State Treasurer shall hold the Fund separately, and the  
8 Comptroller shall account for the Fund.

9 (e) The Fund consists of:

10 (1) all revenues received by the State from any source resulting, directly or  
11 indirectly, from any judgment against, or settlement with, opioid manufacturers, opioid  
12 research associations, or any other person in the opioid industry relating to any claims  
13 made or prosecuted by the State to recover damages for violations of State law; and

14 (2) the interest earnings of the Fund.

15 (f) The Fund may be used only to provide funds for:

16 (1) improving access to medications proven to prevent or reverse an  
17 overdose;

18 (2) supporting peer support specialists and screening, brief intervention,  
19 and referral to treatment services for hospitals, correctional facilities, and other high-risk  
20 populations;

21 (3) increasing access to medications that support recovery from substance  
22 use disorders;

23 (4) expanding the Heroin Coordinator Program, including for  
24 administrative expenses;

25 (5) expanding access to crisis beds and residential treatment services;

26 (6) expanding and establishing safe stations, mobile crisis response  
27 systems, and crisis stabilization centers;

28 (7) supporting the Health Crisis Hotline;

29 (8) organizing primary and secondary school education campaigns to  
30 prevent opioid use, including for administrative expenses;

1 (9) enforcing the laws regarding opioid prescriptions and sales, including  
2 for administrative expenses;

3 (10) research regarding and training for substance use treatment and  
4 overdose prevention, including for administrative expenses; and

5 (11) supporting and expanding other evidence-based interventions for  
6 overdose prevention and substance use treatment.

7 (g) (1) The State Treasurer shall invest the money of the Fund in the same  
8 manner as other State money may be invested.

9 (2) Any interest earnings of the Fund shall be credited to the Fund.

10 (h) (1) Expenditures from the Fund may be made only in accordance with the  
11 State budget.

12 (2) **FOR SETTLEMENT FUNDS RECEIVED IN ACCORDANCE WITH THE**  
13 **FINAL DISTRIBUTOR AGREEMENT OF JULY 21, 2021, WITH MCKESSON**  
14 **CORPORATION, AMERISOURCE BERGEN CORPORATION, AND CARDINAL HEALTH**  
15 **INCORPORATED, AS AMENDED, OR THE JANSSEN SETTLEMENT AGREEMENT OF**  
16 **JULY 21, 2021, AS AMENDED:**

17 (I) **APPROPRIATIONS FROM THE FUND IN THE STATE BUDGET**  
18 **SHALL BE MADE IN ACCORDANCE WITH THE ALLOCATION AND DISTRIBUTION OF**  
19 **FUNDS TO THE STATE AND ITS POLITICAL SUBDIVISIONS AS AGREED ON IN THE**  
20 **STATE-SUBDIVISION AGREEMENT OF JANUARY 21, 2022, AS AMENDED; AND**

21 (II) **THE SECRETARY OF HEALTH SHALL ESTABLISH AND**  
22 **ADMINISTER A GRANT PROGRAM FOR THE DISTRIBUTION OF FUNDS TO POLITICAL**  
23 **SUBDIVISIONS OF THE STATE IN ACCORDANCE WITH THE STATE-SUBDIVISION**  
24 **AGREEMENT OF JANUARY 21, 2022, AS AMENDED.**

25 (3) **THE ATTORNEY GENERAL SHALL IDENTIFY AND DESIGNATE THE**  
26 **CONTROLLING VERSION OF ANY AGREEMENT OR AMENDMENT DESCRIBED UNDER**  
27 **PARAGRAPH (2) OF THIS SUBSECTION.**

28 (i) (1) Money expended from the Fund for the programs and services described  
29 under subsection (f) of this section is supplemental to and is not intended to take the place  
30 of funding that otherwise would be appropriated for the programs and services.

31 (2) Except as specified in subsection (f) of this section, money expended  
32 from the Fund may not be used for administrative expenses.

33 (j) The Governor shall:

1 (1) develop key goals, key objectives, and key performance indicators  
2 relating to substance use treatment and prevention efforts;

3 (2) **SUBJECT TO PARAGRAPH (H)(2) OF THIS SECTION**, at least once  
4 annually, consult with substance use treatment and prevention stakeholders, including  
5 consumers, providers, families, and advocates, to identify recommended appropriations  
6 from the Fund; and

7 (3) report on or before November 1 each year, in accordance with § 2-1257  
8 of the State Government Article, to the General Assembly on:

9 (i) an accounting of total funds expended from the Fund in the  
10 immediately preceding fiscal year, by:

- 11 1. use;
- 12 2. if applicable, jurisdiction; and
- 13 3. budget program and subdivision;

14 (ii) the performance indicators and progress toward achieving the  
15 goals and objectives developed under item (1) of this subsection; and

16 (iii) the recommended appropriations from the Fund identified in  
17 accordance with item (2) of this subsection.

18 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June  
19 1, 2022.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.