

Chapter 85

(Senate Bill 419)

AN ACT concerning

Opioid Restitution Fund – Appropriation of Settlement Funds and Grant Program

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

BY repealing and reenacting, with amendments,

Article – State Finance and Procurement

Section 7–331

Annotated Code of Maryland

(2021 Replacement Volume)

(As enacted by Chapter 537 of the Acts of the General Assembly of 2019)

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

Article – State Finance and Procurement

7–331.

- (a) In this section, “Fund” means the Opioid Restitution Fund.
- (b) There is an Opioid Restitution Fund.
- (c) The purpose of the Fund is to retain the amount of settlement revenues deposited to the Fund in accordance with subsection (e)(1) of this section.
- (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of this subtitle.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
- (e) The Fund consists of:

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

(2) the interest earnings of the Fund.

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

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

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

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

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

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

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

(7) supporting the Health Crisis Hotline;

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

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

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

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

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

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

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

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

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

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

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

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

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

(j) The Governor shall:

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

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

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

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

1. use;
2. if applicable, jurisdiction; and
3. budget program and subdivision;

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

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

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

Approved by the Governor, April 12, 2022.