## STATE OF MARYLAND OFFICE OF THE GOVERNOR OPIOID OPERATIONAL COMMAND CENTER



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February 22, 2022

The Honorable Dolores G. Kelley Chair, Senate Finance Committee 3 East, Miller Senate Office Building Annapolis, MD 21401-1991

## **RE:** SB 419 - Opioid Restitution Fund - Appropriation of Settlement Funds and Grant Program - Letter of Information

Dear Chair Kelley and Committee Members:

The Opioid Operational Command Center (OOCC) is submitting this letter of information for Senate Bill (SB) 419 – Opioid Restitution Fund - Appropriation of Settlement Fund and Grant Program.

According to House Bill 1274 (2019), which established the Opioid Restitution Fund (ORF), the Governor is required to develop "goals, objectives, and indicators" for the use of any funding received through the ORF. Additionally, this funding must be made in accordance with the state budget. As such, Governor Hogan designated the OOCC as the entity responsible for administering funds that the state receives from legal settlements with pharmaceutical manufacturers and distributors to mitigate harms associated with the opioid crisis.

SB 419 requires the Secretary of Health to establish and administer a grant program for the distribution of certain opioid restitution funds to political subdivisions. Recognizing that the State of Maryland expects to receive an influx of funding through the ORF within the next calendar year, the OOCC has worked to ensure that our office is structured to support administering this funding. These efforts include creating staffing positions to support grant distribution and other operations, which will be commensurate with the level of funding the State of Maryland receives.

Additionally, SB 419 requires that appropriations from the ORF in the state budget shall be made in accordance with the settlement framework outlined in the State-Subdivision Agreement of January 21, 2022. This agreement outlines the distribution percentages that the state and local municipalities are eligible to receive, and requires the establishment of non-competitive and discretionary grants programs. The OOCC has the infrastructure in place to administer two distinct grants programs. The OOCC block grant is non-competitive and is distributed to local jurisdictions based on an applied formula that factors in population and fatality rates. The competitive grant program distributes funding to the highest-scoring proposals received from state and local governments and private, community-based organizations.

Given the efforts that the OOCC has undertaken to prepare for the funding received to the ORF, we are well positioned to carry out the provisions outlined in the State-Subdivision Agreement. We hope you find this information helpful. If you would like to discuss this further, please contact Marianne Gibson, OOCC Deputy Director, at 443-381-4377 or <a href="mailto:marianne.gibson@maryland.gov">marianne.gibson@maryland.gov</a>.

Sincerely,

Robin E. Rickard Executive Director

Opioid Operational Command Center

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