

Representative Raymond P. Ward proposes the following substitute bill:

LITIGATION PROCEED FUND AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jen Plumb

House Sponsor: Raymond P. Ward

LONG TITLE

General Description:

This bill enacts requirements for the use of funds received from opioid litigation proceeds.

Highlighted Provisions:

This bill:

- ▶ designates the Office of Substance Use and Mental Health as the reporting entity for any settlement or other agreement that requires reporting on the use of opioid funds and describes the reporting requirements for governmental entities that receive opioid funds; and
- ▶ modifies the Opioid Litigation Proceeds Restricted Account.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

51-9-801, as enacted by Laws of Utah 2020, Chapter 210

ENACTS:



26 [26B-5-102](#), Utah Code Annotated 1953

27

28 *Be it enacted by the Legislature of the state of Utah:*

29 Section 1. Section **26B-5-102** is enacted to read:

30 **26B-5-102. Administration of opioid litigation proceeds -- Requirements for**
31 **governmental entities receiving opioid funds -- Reporting.**

32 (1) As used in this section:

33 (a) "Office" means the Office of Substance Use and Mental Health within the
34 department.

35 (b) "Opioid funds" means money received by the state or a political subdivision of the
36 state as a result of any judgment, settlement, or compromise of claims pertaining to alleged
37 violations of law related to the manufacture, marketing, distribution, or sale of opioids.

38 (c) "Restricted account" means the Opioid Litigation Proceeds Restricted Account
39 created in Section [51-9-801](#).

40 (2) Opioid funds may not be used to:

41 (a) reimburse expenditures that were incurred before the opioid funds were received by
42 the governmental entity; or

43 (b) supplant or take the place of any funds that would otherwise have been expended
44 for that purpose.

45 (3) The office shall serve as the reporting entity to receive, compile, and submit any
46 reports related to opioid funds that are required by law, contract, or other agreement.

47 (4) The requirement described in Subsection (5) applies to:

48 (a) a recipient of opioid funds from the restricted account, in any year that opioid funds
49 are received; and

50 (b) a political subdivision that received opioid funds.

51 (5) A person described in Subsection (4) shall provide an annual report to the office, in
52 a form and by a date established by the office, that includes:

53 (a) an accounting of all opioid funds that were received by the person in the year;

54 (b) the number of individuals served through programs funded by the opioid funds,
55 including the individuals' age, gender, and other demographic factors reported in a de-identified
56 manner;

57 (c) the measures that were used to determine whether the program funded by the opioid
58 funds achieved the intended outcomes; and

59 (d) if applicable, any information required to be submitted to the reporting entity under
60 applicable law, contract, or other agreement.

61 (6) Beginning October 1, 2023, and on or before October 1 of each year thereafter, the
62 office shall provide a written report that includes:

63 (a) the opening and closing balance of the restricted account for the previous fiscal
64 year;

65 (b) the name of and amount received by each recipient of funds from the restricted
66 account;

67 (c) a description of the intended use of each award, including the specific program,
68 service, or resource funded, population served, and measures that the recipient used or will use
69 to assess the impact of the award;

70 (d) a description of any finding or concern as to whether all opioid funds disbursed
71 from the restricted account violated the prohibitions in Subsection (2) and, if applicable,
72 comply with the requirements of a settlement agreement; and

73 (e) the performance indicators and progress toward improving outcomes and reducing
74 mortality and other harms related to substance use disorders.

75 (7) The office shall provide the information that is received, compiled, and submitted
76 under this section:

77 (a) to the Health and Human Services Interim Committee;

78 (b) to the Social Services Appropriation Subcommittee;

79 (c) if required under the terms of a settlement agreement under which opioid funds are
80 received, to the administrator of the settlement agreement in accordance with the terms of the
81 settlement agreement; and

82 (d) in a publicly accessible location on the department's website.

83 (8) The office may make rules in accordance with Title 63G, Chapter 3, Utah
84 Administrative Rulemaking Act, to implement this section.

85 Section 2. Section **51-9-801** is amended to read:

86 **51-9-801. Opioid Litigation Proceeds Restricted Account.**

87 (1) There is created within the General Fund a restricted account known as the Opioid

88 Litigation [~~Settlement~~] Proceeds Restricted Account.

89 (2) The account consists of:

90 (a) any money deposited into the account in accordance with Subsection (3);

91 (b) interest earned on money in the account; and

92 (c) money appropriated to the account by the Legislature.

93 (3) Notwithstanding Sections 13-2-8 and 76-10-3114, after reimbursement to the
94 attorney general and the Department of Commerce for expenses related to the matters
95 described in Subsection (3)(a) or (b), the following shall be deposited into the account:

96 (a) all money received by the attorney general or the Department of Commerce as a
97 result of any judgment, settlement, or compromise of claims pertaining to alleged violations of
98 law related to the manufacture, marketing, distribution, or sale of opioids from a case
99 designated as an opioid case by the attorney general in a legal services contract; and

100 (b) all money received by the attorney general or the Department of Commerce as a
101 result of any multistate judgment, settlement, or compromise of claims pertaining to alleged
102 violations of law related to the manufacture, marketing, distribution, or sale of opioids.

103 (4) Subject to appropriation by the Legislature, money in the account shall be used:

104 (a) to address the effects of alleged violations of law related to the manufacture,
105 marketing, distribution, or sale of opioids; or

106 (b) if applicable, in accordance with the terms of a settlement agreement described in
107 Subsection (3)(a) or (b) entered into by the state.