

**HOUSE BILL NO. 1447**

Introduced by

Representatives Weisz, Lefor, Nelson, Stemen, Vigesaa

Senators Bekkedahl, Lee

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

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

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

- 1 k. Cultural endowment fund.
- 2 l. Petroleum tank release compensation fund.
- 3 m. Legacy fund.
- 4 n. Legacy earnings fund.
- 5 o. Opioid settlement fund.
- 6 p. A fund under contract with the board pursuant to subsection 3.

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

9 **Definitions.**

10 As used in this chapter:

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

18 **Opioid settlement fund.**

19 There is created in the state treasury an opioid settlement fund. ~~The fund consists of opioid~~  
20 ~~litigation funds received by the state.~~ Moneys received collected by the state and the state's  
21 political subdivisions as a result of opioid litigation must be deposited in the fund. The state  
22 investment board shall invest moneys in the fund and income earned on the moneys in the fund  
23 must be credited to the fund. Moneys in the fund may be used in compliance with any court-  
24 ordered restrictions and as authorized by legislative appropriation and this chapter; however,  
25 legislative appropriations from the fund may not exceed eight million dollars in a biennium. The  
26 ~~legislative assembly shall consult with the governor in determining the use of the moneys in the~~  
27 ~~fund. As used in this section, "opioid litigation" means civil litigation, demand, or settlement in~~  
28 ~~lieu of litigation alleging unlawful conduct related to the marketing, sale, or distribution of opioids~~  
29 ~~in this state or other alleged illegal actions that contributed to the excessive use of opioids~~ fund  
30 does not include funds not retained by the state pursuant to law or court order.

1 **Opioid settlement advisory committee.**

2 1. The committee is composed of:

3 a. One member of the North Dakota association of counties appointed by the  
4 chairman of legislative management, who shall serve a term of two years.

5 b. One member of the North Dakota league of cities appointed by the chairman of  
6 legislative management, who shall serve a term of two years.

7 c. One member of the North Dakota state association of city and county health  
8 officials appointed by the chairman of legislative management, who shall serve a  
9 term of two years.

10 d. One member who represents the highway patrol appointed by the highway patrol  
11 superintendent, who shall serve a term of two years.

12 e. The executive director of the department's division of behavioral health.

13 f. The managing director of the office of recovery reinvented.

14 g. One member appointed by the governor who shall serve as a nonvoting member  
15 and as the presiding officer of the committee, who shall serve a term of two  
16 years.

17 2. The committee shall forward recommendations to the department on spending  
18 decisions of the legislatively appropriated funds for remediation or abatement of the  
19 opioid crisis in this state.

20 a. The committee shall develop a process for receiving spending recommendation  
21 input from political subdivisions and the public.

22 b. The committee shall develop a process for making recommendations to the  
23 department under this subsection.

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

25 1. The department shall develop a process for receiving and evaluating spending  
26 recommendations of the committee.

27 2. Annually, the department shall make a report to the budget section of the legislative  
28 management on the status of the fund and of spending decisions made under this  
29 chapter.

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

2 1. The department's spending decisions of the legislatively appropriated funds from the  
3 fund for remediating and abating the opioid crisis must follow the following formula:

4 a. Seventy percent of the legislatively appropriated funds must be designated for  
5 services and supports for individuals with opioid substance use disorder.

6 b. Twenty percent of the legislatively appropriated funds must be designated for  
7 opioid use prevention and overdose prevention.

8 c. Ten percent of the legislatively appropriated funds must be designated for other  
9 opioid remediation and abatement efforts.

10 2. The department shall implement or assist with the implementation of spending  
11 decisions made under this chapter.

12 **SECTION 2. AMENDMENT.** Section 5 of chapter 3 of the 2021 Session Laws is amended  
13 and reenacted as follows:

14 **SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID**  
15 **SETTLEMENT FUND - OPIOID ADDICTION PREVENTION AND TREATMENT**  
16 **PROGRAM - APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN**

17 **SERVICES - ONE-TIME FUNDING - REPORT.** The office of management and budget  
18 shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds  
19 deposited in the attorney general refund fund to the ~~department of human-~~  
20 ~~services~~opioid settlement fund which is appropriated to the department of health and  
21 human services for the purpose of defraying the expenses of an opioid addiction  
22 prevention and treatment program during the biennium beginning July 1, 2021, and  
23 ending June 30, 2023. The department of health and human services shall consult  
24 with the attorney general on the use of funding for the program. The attorney general  
25 shall notify the legislative council and office of management and budget of any lawsuit  
26 settlement proceeds that become available for transfer to the department of health and  
27 human services for this program. This funding is considered a one-time funding item.

28 **SECTION 3. AUTHORITY OF ATTORNEY GENERAL - OPIOID LITIGATION - POLITICAL**  
29 **SUBDIVISIONS - OFFSET OF UNRETURNED FUNDS.** The attorney general may release all  
30 existing opioid claims and bar future opioid claims by the political subdivisions of this state. The  
31 attorney general shall request from each political subdivision that collected opioid settlement

1 funds before the effective date of this Act, the return of all unobligated funds for deposit by the  
2 attorney general in the opioid settlement fund. If a political subdivision does not return the  
3 unobligated funds, the department of health and human services shall offset from any funds  
4 designated under section 2 of this Act for opioid remediation and abatement efforts for that  
5 political subdivision an amount equal to the amount of unobligated funds that were are not  
6 returned to the state.

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

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

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

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