

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED 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 chapter to title 50 of the North Dakota Century  
2 Code, relating to creation of the opioid settlement fund, creation of the opioid settlement  
3 advisory committee, and use of opioid settlement funds; to amend and reenact subsection 1 of  
4 section 21-10-06 of the North Dakota Century Code and section 5 of chapter 3 of the 2021  
5 Session Laws, relating to funds under management of the state investment board and the  
6 funding of the opioid treatment and prevention program; to provide an appropriation; to provide  
7 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. AMENDMENT.** Subsection 1 of section 21-10-06 of the North Dakota Century  
10 Code is amended and reenacted as follows:

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

- 1 m. Legacy fund.
- 2 n. Legacy earnings fund.
- 3 o. Opioid settlement fund.
- 4 p. A fund under contract with the board pursuant to subsection 3.

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

7 **Definitions.**

8 As used in this chapter:

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

16 **Opioid settlement fund.**

17 There is created in the state treasury an opioid settlement fund. Moneys recovered by the  
18 state as a result of opioid litigation must be deposited in the fund. Moneys recovered by a  
19 political subdivision as a result of opioid litigation may be deposited in the fund. The state  
20 investment board shall invest moneys in the fund and income earned on the moneys in the fund  
21 must be credited to the fund. Moneys in the fund may be used in compliance with any court-  
22 ordered restrictions and as authorized by legislative appropriation and this chapter; however,  
23 legislative appropriations from the fund may not exceed eight million dollars in a biennium. The  
24 fund does not include funds not retained by the state pursuant to law or court order.

25 **Opioid settlement advisory committee.**

- 26 1. The committee is composed of:
  - 27 a. One member of the North Dakota association of counties appointed by the  
28 chairman of legislative management, who shall serve a term of two years.
  - 29 b. One member of the North Dakota league of cities appointed by the chairman of  
30 legislative management, who shall serve a term of two years.

- 1           c. One member of the North Dakota state association of city and county health
- 2           officials appointed by the chairman of legislative management, who shall serve a
- 3           term of two years.
- 4           d. One member who represents the highway patrol appointed by the highway patrol
- 5           superintendent, who shall serve a term of two years.
- 6           e. The executive director of the department's division of behavioral health.
- 7           f. The managing director of the office of recovery reinvented.
- 8           g. One member appointed by the governor who shall serve as a nonvoting member
- 9           and as the presiding officer of the committee, who shall serve a term of two
- 10          years.
- 11         2. The committee shall forward recommendations to the department on spending
- 12         decisions of the legislatively appropriated funds for remediation or abatement of the
- 13         opioid crisis in this state.
- 14         a. The committee shall develop a process for receiving spending recommendation
- 15         input from political subdivisions and the public.
- 16         b. The committee shall develop a process for making recommendations to the
- 17         department under this subsection.

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

- 19         1. The department shall develop a process for receiving and evaluating spending
- 20         recommendations of the committee.
- 21         2. Annually, each political subdivision that recovers and retains moneys as a result of
- 22         opioid litigation shall submit to the department a report detailing the decisions of the
- 23         governing body of the political subdivision regarding use of the moneys.
- 24         3. Annually, the department shall make a report to the budget section of the legislative
- 25         management on the status of the fund and of spending decisions made by the
- 26         department and the political subdivisions under this chapter.

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

- 28         1. The department's spending decisions of the legislatively appropriated funds from the
- 29         fund for remediating and abating the opioid crisis must follow the following formula:
- 30         a. Seventy percent of the legislatively appropriated funds must be designated for
- 31         services and supports for individuals with opioid substance use disorder.

- 1           b. Twenty percent of the legislatively appropriated funds must be designated for  
2           opioid use prevention and overdose prevention.  
3           c. Ten percent of the legislatively appropriated funds must be designated for other  
4           opioid remediation and abatement efforts.  
5           2. The department shall implement or assist with the implementation of spending  
6           decisions made under this chapter.

7           **Political subdivisions - Public health units.**

- 8           1. A political subdivision that recovers moneys as a result of opioid litigation may deposit  
9           the moneys in the fund or may retain the moneys and transfer the moneys to the  
10           public health unit that provides services to that political subdivision.  
11           2. A political subdivision that recovers and retains moneys as a result of opioid litigation  
12           shall collaborate with a public health unit on the use of the moneys for local programs  
13           for remediating and abating the opioid crisis. The use of moneys under this subsection  
14           must be in compliance with any court-ordered restrictions. The political subdivision  
15           and public health unit shall work together to ensure all reporting requirements are met.

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

18                   **SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID**  
19                   **SETTLEMENT FUND - OPIOID ADDICTION PREVENTION AND TREATMENT**  
20                   **PROGRAM - APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN**  
21                   **SERVICES - ONE-TIME FUNDING - REPORT.** The office of management and budget  
22 shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds  
23 deposited in the attorney general refund fund to the ~~department of human-~~  
24 ~~services~~opioid settlement fund which is appropriated to the department of health and  
25 human services for the purpose of defraying the expenses of an opioid addiction  
26 prevention and treatment program during the biennium beginning July 1, 2021, and  
27 ending June 30, 2023. The department of health and human services shall consult  
28 with the attorney general on the use of funding for the program. The attorney general  
29 shall notify the legislative council and office of management and budget of any lawsuit  
30 settlement proceeds that become available for transfer to the department of health and  
31 human services for this program. This funding is considered a one-time funding item.

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

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

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

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