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S.B. No. 1827

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the opioid abatement account, an opioid abatement trust fund, and to a statewide opioid settlement agreement.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 403, Government Code, is amended by adding Subchapter R to read as follows:

SUBCHAPTER R. STATEWIDE OPIOID SETTLEMENT AGREEMENT

Sec. 403.501. DEFINITIONS. In this subchapter:

(1) "Account" means the opioid abatement account established by Section 403.505.

(2) "Council" means the Texas opioid abatement fund council established by Section 403.503 to manage the distribution of money allocated to the council from the opioid abatement trust fund in accordance with a statewide opioid settlement agreement.

(3) "Fund" means the opioid abatement trust fund established by Section 403.506.

(4) "Released entity" means an entity against which a claim is released under a statewide opioid settlement agreement.

(5) "Statewide opioid settlement agreement" means all settlement agreements and related documents entered into by this state through the attorney general and opioid manufacturers, distributors, or retailers relating to illegal conduct in the marketing, promotion, sale, distribution, and dispensation of

1 opioids that provide relief for this state and political
2 subdivisions of this state.

3 (6) "Trust company" means the Texas Treasury
4 Safekeeping Trust Company.

5 Sec. 403.502. SETTLEMENT RECORDS. The attorney general and
6 comptroller shall maintain a copy of a statewide opioid settlement
7 agreement, including any amendments to the agreement, and make the
8 copy available on the attorney general's and comptroller's Internet
9 websites.

10 Sec. 403.503. TEXAS OPIOID ABATEMENT FUND COUNCIL.

11 (a) The Texas opioid abatement fund council is established to
12 ensure that money recovered by this state through a statewide
13 opioid settlement agreement is allocated fairly and spent to
14 remediate the opioid crisis in this state by using efficient and
15 cost-effective methods that are directed to regions of this state
16 experiencing opioid-related harms.

17 (b) The council is composed of the following 14 members:

18 (1) six regional members, appointed by the executive
19 commissioner of the Health and Human Services Commission, who are
20 from academia or are physicians and who each are appointed to
21 represent one of the following groups of regional health care
22 partnership regions:

23 (A) regions 9 and 10;

24 (B) region 3;

25 (C) regions 11, 12, 13, 14, 15, and 19;

26 (D) regions 6, 7, 8, and 16;

27 (E) regions 1, 2, 17, and 18; and

1 (F) regions 4, 5, and 20;

2 (2) four members who are current or retired health
3 care professionals holding or formerly holding a license under
4 Title 3, Occupations Code, with significant experience in treating
5 opioid-related harms and who are appointed as follows:

6 (A) one member appointed by the governor;

7 (B) one member appointed by the lieutenant
8 governor;

9 (C) one member appointed by the speaker of the
10 house of representatives; and

11 (D) one member appointed by the attorney general;

12 (3) one member who is employed by a hospital district
13 and is appointed by the governor;

14 (4) one member who is employed by a hospital district
15 and is appointed by the attorney general;

16 (5) one member appointed by the governor and who is a
17 member of a law enforcement agency and has experience with
18 opioid-related harms; and

19 (6) one nonvoting member who serves as the presiding
20 officer of the council and is the comptroller or the comptroller's
21 designee.

22 (c) In making appointments under Subsection (b), the
23 governor, lieutenant governor, speaker of the house of
24 representatives, and attorney general shall coordinate to ensure
25 that the membership of the council reflects, to the extent
26 possible, the ethnic and geographic diversity of this state.

27 (d) The council is administratively attached to the

1 comptroller. The comptroller shall provide the staff and
2 facilities necessary to assist the council in performing its
3 duties.

4 Sec. 403.504. COUNCIL OPERATION. (a) A council member is
5 not entitled to compensation for council service but is entitled to
6 reimbursement for actual and necessary expenses incurred in
7 performing council duties.

8 (b) The council may hold public meetings as necessary to
9 fulfill its duties under this subchapter.

10 (c) The council is subject to Chapters [551](#) and [552](#).

11 Sec. 403.505. OPIOID ABATEMENT ACCOUNT. (a) The opioid
12 abatement account is a dedicated account in the general revenue
13 fund administered by the comptroller.

14 (b) The account is composed of:

15 (1) money obtained from a statewide opioid settlement
16 agreement and deposited in the account under Section 403.507;

17 (2) money received by the state from any other source
18 resulting directly or indirectly from an action by the state
19 against an opioid manufacturer, an opioid distributor, or another
20 person in the opioid industry relating to a violation of state or
21 federal law on the manufacture, marketing, distribution, or sale of
22 opioids, other than money distributed to a political subdivision of
23 the state in accordance with the terms of a settlement agreement or
24 judgment;

25 (3) money appropriated or transferred to the account
26 by the legislature;

27 (4) gifts and grants contributed to the account; and

1 (5) earnings on the principal of the account.

2 (c) Money in the account may be appropriated only to a state
3 agency for the abatement of opioid-related harms.

4 (d) The comptroller may use money appropriated to the
5 comptroller from the account only to:

6 (1) prevent opioid use disorder through
7 evidence-based education and prevention, such as school-based
8 prevention, early intervention, or health care services or programs
9 intended to reduce the risk of opioid use by school-age children;

10 (2) support efforts to prevent or reduce deaths from
11 opioid overdoses or other opioid-related harms, including through
12 increasing the availability or distribution of naloxone or other
13 opioid antagonists for use by health care providers, first
14 responders, persons experiencing an opioid overdose, families,
15 schools, community-based service providers, social workers, or
16 other members of the public;

17 (3) create and provide training on the treatment of
18 opioid addiction, including the treatment of opioid dependence with
19 each medication approved for that purpose by the United States Food
20 and Drug Administration, medical detoxification, relapse
21 prevention, patient assessment, individual treatment planning,
22 counseling, recovery supports, diversion control, and other best
23 practices;

24 (4) provide opioid use disorder treatment for youths
25 and adults, with an emphasis on programs that provide a continuum of
26 care that includes screening and assessment for opioid use disorder
27 and co-occurring behavioral health disorders, early intervention,

1 contingency management, cognitive behavioral therapy, case
2 management, relapse management, counseling services, and
3 medication-assisted treatments;

4 (5) provide patients suffering from opioid dependence
5 with access to all medications approved by the United States Food
6 and Drug Administration for the treatment of opioid dependence and
7 relapse prevention following opioid detoxification, including
8 opioid agonists, partial agonists, and antagonists;

9 (6) support efforts to reduce the abuse or misuse of
10 addictive prescription medications, including tools used to give
11 health care providers information needed to protect the public from
12 the harm caused by improper use of those medications;

13 (7) support treatment alternatives that provide both
14 psychosocial support and medication-assisted treatments in areas
15 with geographical or transportation-related challenges, including
16 providing access to mobile health services and telemedicine,
17 particularly in rural areas; or

18 (8) further any other purpose related to opioid
19 abatement authorized by appropriation.

20 Sec. 403.506. OPIOID ABATEMENT TRUST FUND. (a) The opioid
21 abatement trust fund is a trust fund established outside of the
22 state treasury for the purposes of this subchapter that is
23 administered by the trust company.

24 (b) The fund consists of:

25 (1) money obtained under a statewide opioid settlement
26 agreement and deposited in the fund under Section 403.507; and

27 (2) interest, dividends, and other income of the fund.

1 (c) The trust company shall allocate:

2 (1) to political subdivisions to address
3 opioid-related harms in those communities an amount equal to 15
4 percent of the total amount of money obtained under a statewide
5 opioid settlement agreement and distributed to the fund and the
6 account under Section 403.507; and

7 (2) to the council an amount equal to 70 percent of the
8 total amount of money obtained under a statewide opioid settlement
9 agreement and distributed to the fund and the account under Section
10 403.507.

11 Sec. 403.507. DEPOSIT AND ALLOCATION OF SETTLEMENT MONEY;
12 EFFECT OF BANKRUPTCY. (a) Money obtained under a statewide opioid
13 settlement agreement must be deposited as provided by this section
14 and further allocated in accordance with the settlement agreement.

15 (b) Of money obtained under a statewide opioid settlement
16 agreement:

17 (1) 15 percent shall be deposited into the account;
18 and

19 (2) 85 percent shall be deposited into the fund.

20 (c) For the purposes of a statewide opioid settlement
21 agreement in relation to a bankruptcy plan for a released entity,
22 money is distributed in accordance with the bankruptcy plan.

23 Sec. 403.508. COUNCIL ALLOCATION OF MONEY. Of the money
24 allocated to the council under Section 403.506(c)(2), the council
25 shall allocate:

26 (1) one percent to the comptroller for the
27 administration of the council;

1 (2) 15 percent to hospital districts; and

2 (3) the remaining money based on the opioid abatement
3 strategy developed by the council under Section 403.509.

4 Sec. 403.509. COUNCIL-APPROVED OPIOID ABATEMENT STRATEGY.

5 (a) The council shall determine and approve one or more
6 evidence-based opioid abatement strategies for providing money
7 under Section 403.508(3).

8 (b) To approve an opioid abatement strategy, at least four
9 of the members appointed under Section 403.503(b)(1) and four of
10 the members appointed under Sections 403.503(b)(2)-(5) must
11 approve the strategy.

12 Sec. 403.510. REPORT. Not later than October 1 of each
13 year, the council shall submit a written report to the legislature
14 detailing all expenditures made by the council during the preceding
15 state fiscal year.

16 SECTION 2. Title 6, Civil Practice and Remedies Code, is
17 amended by adding Chapter 150F to read as follows:

18 CHAPTER 150F. RELEASE OF CERTAIN CLAIMS BY GOVERNMENTAL ENTITIES

19 Sec. 150F.001. CLAIMS RELEASED IN STATEWIDE OPIOID
20 SETTLEMENT. (a) A governmental entity may not bring an action
21 asserting a claim that was released under a statewide opioid
22 settlement agreement entered into by the attorney general.

23 (b) A court shall dismiss with prejudice a pending action
24 asserting a released claim described by Subsection (a) brought by a
25 governmental entity.

26 SECTION 3. The individuals responsible for appointing the
27 Texas opioid abatement fund council under Section 403.503,

1 Government Code, as added by this Act, shall make all appointments
2 under that section not later than the 60th day after the effective
3 date of this Act.

4 SECTION 4. The comptroller of public accounts is required
5 to implement a provision of this Act only if the legislature
6 appropriates money specifically for that purpose. If the
7 legislature does not appropriate money specifically for that
8 purpose, the comptroller may, but is not required to, implement a
9 provision of this Act using other appropriations available for that
10 purpose.

11 SECTION 5. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2021.