

**SENATE BILL NO. 133**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

BY THE SENATE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

**Introduced: 4/21/23**

**Referred: Finance**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act establishing the Alaska opioid settlement investment fund; establishing the**  
2 **Alaska opioid remediation fund; and providing for an effective date."**

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 **\* Section 1.** AS 37.14 is amended by adding new sections to read:

5 **Article 9A. Opioid Remediation Funds.**

6 **Sec. 37.14.760. Alaska opioid settlement investment fund.** (a) The Alaska  
7 opioid settlement investment fund is established outside and separate from the general  
8 fund. The purpose of the fund is to support the prevention of opioid addiction and  
9 support opioid harm reduction, treatment, recovery, remediation, and education  
10 through appropriations to the Alaska opioid remediation fund under AS 37.14.761.  
11 The legislature shall appropriate money to the investment fund in compliance with the  
12 settlement agreements entered into between the state and the manufacturers and  
13 distributors of opioids. Money in the fund does not lapse. The fund consists of

14 (1) money appropriated to the fund;

1 (2) income earned on investment of fund assets; and

2 (3) donations to the fund.

3 (b) The legislature may appropriate any amount to the Alaska opioid  
4 settlement investment fund. Appropriations from revenue associated with the  
5 settlement agreements entered into between the state and the manufacturers and  
6 distributors of opioids shall be accounted for separately. Nothing in this section creates  
7 a dedicated fund.

8 (c) As soon as is practicable after July 1 of each year, the commissioner of  
9 revenue shall determine the amount available for appropriation. The amount available  
10 for appropriation is five percent of the average market value of the fund for the first  
11 five of the preceding six fiscal years, including the fiscal year just ended, computed  
12 annually for each fiscal year in accordance with generally accepted accounting  
13 principles. The legislature may appropriate the amount identified in this subsection to  
14 the Alaska opioid remediation fund for the purpose of supporting the prevention of  
15 opioid addiction and supporting opioid harm reduction, treatment, recovery,  
16 remediation, and education.

17 (d) The legislature may appropriate from the principal of the fund to the  
18 Department of Revenue the amount necessary to pay for management fees associated  
19 with the fund.

20 (e) In this section, unless the context requires otherwise,

21 (1) "fund" means the Alaska opioid settlement investment fund;

22 (2) "manufacturers and distributors of opioids" does not include a  
23 manufacturer or distributor of a controlled substance under AS 11.71.

24 **Sec. 37.14.761. Alaska opioid remediation fund.** (a) The Alaska opioid  
25 remediation fund is established in the general fund for the purpose of supporting the  
26 prevention of opioid addiction and supporting opioid harm reduction, treatment,  
27 recovery, remediation, and education. The fund consists of money appropriated to it  
28 by the legislature. Money appropriated to the fund does not lapse. Earnings received  
29 on money in the fund shall be accounted for separately and may be appropriated into  
30 the fund annually. The commissioner of health may expend money from the fund  
31 without further appropriation for the following purposes:

1 (1) funding and supporting services for the prevention of opioid  
2 addiction and supporting opioid harm reduction, treatment, recovery, remediation, and  
3 education;

4 (2) paying administrative costs associated with the operation of opioid  
5 remediation programs; and

6 (3) awarding and administering grants authorized by law and in  
7 compliance with the terms of the settlement agreements entered into between the state  
8 and the manufacturers and distributors of opioids.

9 (b) In this section, unless the context requires otherwise,

10 (1) "fund" means the Alaska opioid remediation fund;

11 (2) "manufacturers and distributors of opioids" does not include a  
12 manufacturer or distributor of a controlled substance under AS 11.71.

13 \* **Sec. 2.** The uncodified law of the State of Alaska is amended by adding a new section to  
14 read:

15 **TRANSITION: ALASKA OPIOID SETTLEMENT INVESTMENT FUND.** (a) The  
16 amount available for appropriation under AS 37.14.760(c), added by sec. 1 of this Act, shall  
17 be calculated as follows for the first five years of the existence of the Alaska opioid settlement  
18 investment fund:

19 (1) in year one of the fund, five percent of the initial appropriations made to  
20 the fund, as determined on June 30, 2023;

21 (2) in year two of the fund, five percent of the market value of the fund, as  
22 determined on June 30, 2023;

23 (3) in year three of the fund, five percent of the average market value of the  
24 fund for the preceding two years, as determined on June 30, 2024;

25 (4) in year four of the fund, five percent of the average market value of the  
26 fund for the preceding three years, as determined on June 30, 2025;

27 (5) in year five of the fund, five percent of the average market value of the  
28 fund for the preceding four years, as determined on June 30, 2026.

29 (b) In year six of the Alaska opioid settlement investment fund, and for all subsequent  
30 years of the fund, the amount available for appropriation shall be calculated under the formula  
31 provided in AS 37.14.760(c), added by sec. 1 of this Act.

1      \* **Sec. 3.** This Act takes effect June 30, 2023.