

SENATE BILL No. 307

AN ACT concerning the Kansas fights addiction act; adding for-profit private entities to the definition of "qualified applicant"; authorizing members of the Kansas fights addiction grant review board to be paid subsistence allowances, mileage and other expenses when attending meetings of the board after January 8, 2024; amending K.S.A. 2023 Supp. 75-776 and 75-778 and repealing the existing sections.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 2023 Supp. 75-776 is hereby amended to read as follows: 75-776. As used in K.S.A. ~~2022~~ 2023 Supp. 75-775 through 75-781, and amendments thereto:

(a) "Act" means the Kansas fights addiction act.

(b) "Covered conduct" means any conduct covered by opioid litigation that resulted in payment of moneys into the Kansas fights addiction fund.

(c) "Defendant" means a defendant or putative defendant in any opioid litigation.

(d) "Moneys that are received" includes damages, penalties, attorney fees, costs, disbursements, refunds, rebates or any other monetary payment made or paid by any defendant by reason of any judgment, consent decree or settlement, after payment of any costs or fees allocated by court order.

(e) "Municipality" means the same as defined in K.S.A. 75-6102, and amendments thereto.

(f) "Opioid litigation" means any civil lawsuit, demand or settlement, including any settlement in lieu of litigation, alleging unlawful conduct in the manufacturing, marketing, distribution, prescribing or other use of opioid medications and asserting or resolving claims of the state or any municipality.

(g) "Qualified applicant" means any state entity, municipality ~~or~~, not-for-profit private entity *or for-profit private entity* that provides services for the purpose of preventing, reducing, treating or otherwise abating or remediating substance abuse or addiction and that has released its legal claims arising from covered conduct against each defendant that is required by opioid litigation to pay into the fund.

(h) "State" means the state of Kansas, including any agency or official thereof.

(i) "Sunflower foundation" means the sunflower foundation: health care for Kansas, established pursuant to the settlement agreement entered into by the attorney general in the action filed by blue cross and blue shield of Kansas, inc., in the district court of Shawnee county, Kansas, case No. 97CV608.

Sec. 2. K.S.A. 2023 Supp. 75-778 is hereby amended to read as follows: 75-778. (a) There is hereby created under the jurisdiction of the attorney general the Kansas fights addiction grant review board. At least one member of such board shall reside in each of the state's congressional districts. Each member shall serve at the pleasure of the appointing authority. Such board shall be composed of 11 members who have expertise in the prevention, reduction, treatment or mitigation of the effects of substance abuse and addiction, as follows:

(1) One member appointed by the attorney general to be designated as chairperson of the board;

(2) one member appointed by the governor;

(3) one member appointed by the president of the senate;

(4) one member appointed by the speaker of the house of representatives;

(5) one member appointed by the minority leader of the senate;

(6) one member appointed by the minority leader of the house of representatives;

(7) one member appointed by the league of Kansas municipalities;

(8) one member appointed by the Kansas association of counties;

(9) one member appointed by the Kansas county and district attorneys association;

(10) one member appointed by the association of community mental health centers of Kansas; and

(11) one member appointed by the behavioral sciences regulatory board.

(b) The board shall receive and consider applications for grants of money from the Kansas fights addiction fund. Not fewer than six members of the board voting in the affirmative shall be necessary to approve each grant, and each member shall have one vote. The board may adopt rules and procedures for its operation, conduct hearings, receive testimony and gather information to assist in its powers, duties and functions under this act.

(c) In awarding grants, the board:

(1) Shall take care to support services throughout the state and shall ensure not less than $\frac{1}{8}$ of the total amount of moneys granted each calendar year shall be for services in each of the state's congressional districts;

(2) shall take into account science and data-driven substance abuse prevention reduction, treatment or mitigation strategies;

(3) shall consult with the Kansas prescription drug and opioid advisory committee, the department of health and environment, the insurance department and other appropriate public and private entities to ensure coordination of drug abuse and addiction prevention and mitigation efforts throughout the state;

(4) shall approve grants only in compliance with the requirements of K.S.A. 2023 Supp. 75-777, and amendments thereto;

(5) shall consider the sustainability of programming after grant funds are exhausted;

(6) may establish conditions for the award of grants and require assurance and subsequent review to ensure such conditions are satisfied;

(7) may give preference to qualified applicants that are not otherwise seeking or receiving funds from opioid litigation; and

(8) may give preference to grants that expand availability of certified drug abuse treatment programs authorized by K.S.A. 21-6824, and amendments thereto.

(d) (1) The attorney general shall provide administrative support for the board and shall administer, monitor and assure compliance with conditions on grants awarded.

(2) To carry out the duties and responsibilities under paragraph (1), the attorney general may enter into an agreement with the sunflower foundation to provide such administration, monitoring and assurance of compliance. Such agreement may:

(A) Provide for the attorney general to periodically transfer moneys from the Kansas fights addiction fund to the sunflower foundation. The sunflower administration shall administer any such moneys in a manner consistent with this act and with grants approved by the board. If an agreement authorized by this subsection is in effect, the attorney general may transfer moneys from the Kansas fights addiction fund to the sunflower foundation pursuant to such agreement;

(B) provide for a reasonable fee or other compensation for the sunflower foundation for services related to this act;

(C) make provision for the use of any earnings on moneys transferred to the sunflower foundation pursuant to this act and invested by the sunflower foundation; and

(D) contain other provisions as may be reasonably necessary and appropriate to carry out the provisions of this act.

(3) The attorney general may take any action necessary to ensure

the greatest possible recovery from opioid litigation and to seek funds for the Kansas fights addiction fund and the municipalities fight addiction fund.

(e) Members of the board shall not receive compensation ~~or, except that members shall be paid subsistence allowances, mileage and other expenses for serving on~~ as provided in K.S.A. 75-3223, and amendments thereto, when attending meetings of the board after January 8, 2024, if such members are not being reimbursed for such expenses by their appointing authority, employer or any other entity. Each member shall file a statement of substantial interest as provided in K.S.A. 46-248 through 46-252, and amendments thereto. No member shall participate in the consideration of any grant application for which such member has a conflict of interest.

Sec. 3. K.S.A. 2023 Supp. 75-776 and 75-778 are hereby repealed.

Sec. 4. This act shall take effect and be in force from and after its publication in the statute book.

I hereby certify that the above BILL originated in the SENATE, and passed that body

SENATE concurred in

HOUSE amendments _____

President of the Senate.

Secretary of the Senate.

Passed the HOUSE

as amended _____

Speaker of the House.

Chief Clerk of the House.

APPROVED _____

Governor.