

SENATE BUDGET AND APPROPRIATIONS COMMITTEE

STATEMENT TO

[First Reprint]

SENATE, No. 783

STATE OF NEW JERSEY

DATED: FEBRUARY 28, 2022

The Senate Budget and Appropriations Committee reports favorably Senate Bill No. 783 (1R).

This bill establishes a framework concerning funds resulting from the resolution of lawsuits brought by the State against opioid manufacturers, opioid distributors, and pharmacies, including settlement agreements and bankruptcy plans that resolve any outstanding legal claims.

Specifically, the bill establishes a dedicated, non-lapsing fund, to be known as the “Opioid Recovery and Remediation Fund.” The State Treasurer will be required to deposit into the fund the State’s share of moneys received as a result of the resolution of litigation concerning the opioid epidemic, provided that doing so is consistent with the terms of the resolution. Any interest and other income earned on moneys in the fund, and any other moneys that may be appropriated or otherwise become available for purposes of the fund, are to be credited to and deposited in the fund. Moneys paid to counties or municipalities or allocated for attorneys’ fees, costs, and related litigation expenses will not be considered to be part of the State’s share of moneys received as a result of a national opioid litigation resolution.

Moneys in the fund may only be dedicated and used for certain enumerated purposes outlined in the bill, including: providing treatment to people with opioid use disorders, as well as any co-occurring substance use disorder or mental health conditions; providing recovery support to the person and the person’s family; engaging in opioid use prevention efforts; assisting with avoidance of and transition from the criminal justice system for people with opioid use disorders and co-occurring conditions; providing services specific to pregnant people and parents who have an opioid use disorder; promoting appropriate prescribing practices for opioids; working to prevent and reduce opioid overdose deaths; training law enforcement concerning safe drug handling; promoting wellness for first responders experiencing trauma from responding to opioid emergencies; supporting initiatives to abate the opioid epidemic; administrative expenses; and supporting any strategies as may be required under an opioid litigation resolution.

The Department of Human Services (DHS) will be designated the lead agency for the State for purposes of directing the disbursement, allocation, monitoring, and use of the State's share of opioid litigation resolution moneys. The DHS will have the authority to promulgate emergency rules and regulations as are necessary to implement the bill, which emergency rules and regulations will expire after 18 months and will be subject to formal adoption, with or without revision, using the ordinary process for promulgating administrative rules and regulations. The DHS will be required to disburse moneys from the fund in consultation with the Opioid Recovery and Remediation Fund Advisory Council established under the bill, with an emphasis on supporting programs and strategies that are evidence-based or evidence-informed and with consideration given to providing equitable access for underserved communities. The disbursement and use of the funds will be subject to any terms and conditions in the opioid litigation resolution that resulted in the State receiving the funds, as well as any applicable agreements entered into with counties and municipalities concerning the use of opioid litigation resolution funds.

FISCAL IMPACT:

This bill is not certified as requiring a fiscal note.