



Governor Ned Lamont
State of Connecticut



FACT SHEET
2022 Legislative Session

HOUSE BILL 5044
GOVERNOR'S BILL
AN ACT REGARDING THE USE OF OPIOID LITIGATION PROCEEDS

After years of litigation, some of the worst actors in the opioid epidemic are finally beginning to pay their share. Governor Lamont proposes using the funds those companies are providing to start healing the wounds created by their actions.

The Problem

The opioid epidemic has taken a devastating toll on Connecticut families and neighborhoods. Opioid misuse, hospitalizations, and related deaths cause personal devastation with long-lasting impact for entire communities.

Connecticut played a lead role in a complex, multistate lawsuit to hold opioid manufacturers and distributors accountable. Settlement negotiations resulted in an historic \$26 billion agreement with pharmaceutical manufacturer Johnson & Johnson as well as distributors Cardinal, McKesson, and AmerisourceBergen. Connecticut's share of those funds – approximately \$300 million over 18 years – will support an array of prevention, harm reduction, treatment, and recovery support services. The first global settlement payments will be made by the end of July 2022 and will complement payments Connecticut has already begun receiving from a separate \$7.5 million settlement with McKinsey.

Governor Lamont's Solution

Governor Lamont proposes codifying the opioid settlement agreement and ensuring proceeds from the litigation, and any future opioid litigation, are directed to evidence-based strategies to eradicate the opioid epidemic. The bill would establish an Opioid Settlement Advisory Committee comprised of state and local government experts, health care professionals, individuals and families with lived experience, and a leader in racial equity in public health. The Committee, in consultation with the Attorney General and relevant state agencies and stakeholders, will develop an investment plan and maintain transparency in the use of all settlement funds.

Section 2 codifies the non-lapsing Opioid Settlement Fund established to deposit the McKinsey settlement funding in April 2021 and for other opioid settlement deposits and 1) requires the Treasurer to make annual reports on the disposition of the fund; 2) specifies that funding

Contacts:

Governor's Office: Jessica Tyburski, 959-255-4115
Office of Policy and Management: Jeff Beckham, 860-524-7376 • State Capitol, Room 406

recommendations must be evidence-based; 3) specifies that only municipalities that agree to the terms of the settlement can receive funding; 4) specifies that the commissioner cannot spend any settlement money without approval by the Committee and the approval of the plan by the Secretary of OPM.

Section 3 establishes the Opioid Settlement Advisory Committee. This section also 1) requires settlement dollars be spent on substance use disorder abatement infrastructure, programs, services, supports and resources for prevention, treatment, recovery and harm reduction; 2) requires public involvement, accountability and transparency in allocating and accounting for the moneys in the fund; 3) details committee membership including agency heads, legislative leaders, AG, municipal representatives, appointments of the DMHAS Commissioner and requires appointments be made not later than October 1st for 2-year terms; 4) requires quarterly public meetings, one vote per voting member, and an equal number of state and municipal voting members; and 5) terminates the committee when all settlement deposits have been received and disbursed, unless the Attorney General certifies that additional moneys are anticipated.

Section 4 specifies that money must be spent consistent with the limitations on uses of litigation proceeds set forth in any controlling court order.

Section 5 specifies that not later than January 15, 2023, and annually thereafter, the committee shall report, in accordance with the provisions of section 11-4a of the general statutes, to the joint standing committees of the General Assembly opening and closing balance accounting of all credits to, and expenditures from, the fund inventory of fund investments.