## **103RD GENERAL ASSEMBLY**

# State of Illinois

# 2023 and 2024

#### SB2205

Introduced 2/10/2023, by Sen. Sally J. Turner

## SYNOPSIS AS INTRODUCED:

New Act 30 ILCS 105/5.990 new

Creates the Opioid Litigation Proceeds Act. Establishes the Opioid Litigation Proceeds Fund as a special fund in the State treasury. Provides for the allocation of moneys to the Fund. Provides requirements for the use and disbursement of moneys in the Fund. Establishes the Opioid Litigation Proceeds Council. Provides for the membership of the Council and related requirements. Provides for the powers and duties of the Council and the Department of Public Health in relation to Council activities. Provides that the Council shall disburse moneys from the Fund in a manner consistent with the limitations on uses of litigation proceeds set forth in any controlling court order, with specified exceptions. Provides reporting requirements. Provides for the adoption of rules. Amends the State Finance Act to provide for the Opioid Litigation Proceeds Fund. Provides findings and purpose provisions. Defines terms.

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1 AN ACT concerning finance.

AN ACT CONCETNING TIMANCE.

# Be it enacted by the People of the State of Illinois, represented in the General Assembly:

Section 1. Short title. This Act may be cited as the Opioid
Litigation Proceeds Act.

6 Section 5. Legislative findings; purpose.

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(a) The General Assembly finds the following:

8 (1) Illinois anticipates the receipt of substantial 9 payments based on legal claims made against manufacturers distributors of prescription opioid analgesics, 10 and pharmacies that dispensed prescription opioid analgesics, 11 parties for their 12 alleged roles and related in 13 contributing to the high rates of drug overdoses and other 14 drug-related harms.

(2) Experience with the 1990s tobacco settlements 15 16 suggests that, without firm commitment and planning, the 17 opioid litigation proceeds may not be directed toward and addressing substance 18 preventing use disorders, 19 overdoses, and drug-related harms. Substance use 20 disorders, overdoses, and drug-related harms have had a 21 significant impact on the country and this State.

22 (3) According to the Centers for Disease Control and
 23 Prevention (CDC), over 94,000 drug overdose deaths

occurred in the United States in the 12 months ending in
 January 2021; the highest number of overdose deaths ever
 recorded in a 12-month period.

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(4) It is estimated that the cost to society of the 4 opioid misuse and overdose crisis in the United States 5 from 2015 through 2018 was at least \$631,000,000,000. This 6 7 estimate accounts for the use of illicit substances and includes costs associated with additional health care 8 9 services for those impacted by opioid use disorder, 10 premature mortality, criminal justice activities, child 11 and family assistance programs, education programs, and 12 lost productivity.

13 (5) In this State, drug overdoses continue to 14 devastate our residents and communities and strain 15 government resources, with a number people dying from 16 unintentional drug overdoses.

17 (6) According to the Surgeon General, substance use 18 disorders respond to treatment like other chronic 19 diseases. Addiction can be managed successfully, and 20 treatment enables people to counteract addiction's 21 powerful disruptive effects on the brain and behavior and 22 regain control of their lives. The chronic nature of the 23 disease means that returning to substance use is not only 24 possible but also likely, with symptom recurrence rates 25 like those for other well-characterized chronic medical 26 illnesses, such as diabetes, hypertension, and asthma.

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(7) Addressing substance use disorders, overdoses, and 1 2 drug-related harms will require dedicated resources and 3 many years. Directing opioid litigation proceeds to establish, sustain, and expand substance use disorder 4 5 abatement infrastructure, programs, services, supports, and resources for prevention, treatment, recovery, and 6 7 harm reduction in Illinois will represent critically 8 important progress towards the work to be done.

9 (b) It is the intent of the General Assembly through this 10 Act:

11 (1)to maximize funds available to address the 12 overdose crisis in this State by encouraging all relevant parties that have made legal claims against manufacturers 13 14 distributors of prescription opioid analgesics, and 15 pharmacies that dispensed prescription opioid analgesics, 16 and related parties to participate in any final settlement 17 of legal claims against such defendants into which this 18 State may enter;

(2) to establish a dedicated Fund that is designated 19 20 for substance use disorder abatement, including prevention, treatment, recovery, and 21 harm reduction 22 infrastructure, services, programs, supports, and 23 resources. All proceeds received by the State arising out 24 legal claims made against manufacturers of and 25 distributors of prescription opioid analgesics, pharmacies 26 that dispensed prescription opioid analgesics, and related

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parties shall be deposited into the dedicated Fund;

2 (3) to ensure that proceeds deposited into the Fund: 3 (i) remain separate from the State General Revenue Fund; (ii) do not lapse, do not revert to the General Revenue 4 5 Fund, and are not otherwise subject to fiscal year 6 limitations; and (iii) are used only as intended for 7 substance use disorder abatement, including prevention, treatment, recovery, and harm reduction infrastructure, 8 9 programs, services, supports, and resources;

10 (4) that any distributions from the Fund supplement, 11 and not supplant or replace, any existing or future local, 12 federal government funding for State, or such 13 infrastructure, programs, services, supports, and 14 resources, including, but not limited to, insurance 15 benefits, federal grant funding, and Medicaid and Medicare 16 funds;

(5) that a council of geographically, racially, and ethnically diverse stakeholders be established to ensure robust and informed public involvement, accountability, and transparency in allocating and accounting for the moneys in the Fund;

22 (6) that the council have wide discretion regarding 23 substance disorder the tvpes of use abatement 24 infrastructure, programs, services, supports, and 25 resources that it may recommend and approve for funding, 26 including, but not limited to, infrastructure,

evidence-based programs and services, promising practices
 with emerging evidence, and pilot programs reasonably
 expected to yield evidence of effectiveness; and

that substance disorder abatement 4 (7)use 5 infrastructure, programs, services, supports, and resources yield reductions in mortality and improvements 6 7 in prevention, treatment, harm reduction, and recovery outcomes, and that recipients of distributions from the 8 9 Fund measure and report outcomes associated with such 10 distributions.

11 (c) It is also the intent of the General Assembly through 12 this Act:

(1) that the requirements and protections set forth in 13 14 this Act as applied to disbursement and allocation of 15 proceeds of any State settlement of claims against a 16 manufacturer or distributor of prescription opioid 17 analgesics, pharmacy that dispensed prescription opioid analgesics, or related party apply to only those units of 18 19 local government that execute an agreement to participate 20 in such settlement and adhere to the terms of such 21 agreement; and

(2) (2) that moneys be disbursed from the Fund to both governmental and not-for-profit non-governmental entities.

25 Section 10. Definitions. As used in this Act:

1 "Conflict of interest" means a financial association 2 involving a Council member or the member's immediate family 3 that has the potential to influence a Council member's 4 actions, recommendations, or decisions related to the 5 disbursement of opioid litigation proceeds or other Council 6 activity.

7 "Council" means the Opioid Litigation Proceeds Council8 established under Section 20.

9 "Evidence-based" means an activity, practice, program, 10 service, support, or strategy that meets one of the following 11 evidentiary criteria: (i) meta-analyses or systematic reviews 12 have found the strategy to be effective; (ii) evidence from a 13 scientifically rigorous experimental study, such as а randomized controlled trial, demonstrates the strategy is 14 15 effective; or (iii) multiple observational studies from U.S. 16 settings indicate the strategy is effective. As used in this 17 definition, "effective" means an activity, practice, program, service, support, or strategy that helps individuals avoid the 18 development and progression of substance use disorders or 19 20 drug-related harms; reduces the adverse consequences of 21 substance use among persons who use substances; or manages, 22 slows the progression of, or supports recovery from a 23 substance use disorder or co-occurring mental health disorder. "Fund" 24 means the Opioid Litigation Proceeds Fund

established under Section 15.

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"Harm reduction" means a program, service, support, or

resource that attempts to reduce the adverse consequences of substance use among persons who continue to use substances. Harm reduction addresses conditions that give rise to substance use, as well as the substance use itself, and may include, but is not limited to, syringe service programs, naloxone distribution, and education about Good Samaritan laws.

8 "Infrastructure" means the resources, such as personnel, 9 buildings, or equipment, required for this State or a region 10 or unit of local government thereof, or not-for-profit 11 organizations therein, to provide substance use disorder 12 prevention, treatment, recovery, and harm reduction programs, 13 services, supports, and resources;

14 "Prevention" means primary, secondary, and tertiary 15 efforts to avoid the development and progression of substance 16 use disorders or drug-related harms. Primary prevention 17 involves promoting positive youth development and helping individuals avoid the risk factors for, and development of, 18 addictive behaviors through both universal and individualized 19 20 efforts. Primary prevention incorporates efforts in support of individualized health care, including the safe prescribing of 21 22 opioid and other controlled medications. Primary prevention 23 efforts to avoid adverse also encompasses childhood 24 experiences and to avoid or delay the onset of substance use 25 among persons under 21 years of age. Secondary prevention 26 consists of uncovering potentially harmful substance use prior

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1 to the onset of problems or substance use disorder symptoms. 2 Tertiary prevention entails treating the medical consequences 3 of substance use and facilitating entry into substance use disorder treatment so further disability is minimized. 4 5 Prevention strategies include continuing treatment and 6 avoiding a return to substance use so that patients who have 7 been treated successfully may remain in remission.

8 "Proceeds" means damages, penalties, attorneys' fees, 9 costs, disbursements, refunds, rebates, or any other monetary 10 payment made or paid by any defendant manufacturer or 11 distributor of prescription opioid analgesics, pharmacy that 12 dispensed prescription opioid analgesics, or related party to this State by reason of any judgment, consent decree, or 13 14 settlement, after payment of any costs or fees required by 15 court order.

16 "Recovery" means an active process of continual growth 17 that addresses the biological, psychological, social, and 18 spiritual disturbances inherent in addiction and includes the 19 following factors:

20 (1) the goal of improved quality of life and enhanced
21 wellness as identified by the individual;

(2) an individual's consistent pursuit of abstinence
from the substances or behaviors towards which
pathological pursuit had been previously directed or which
could pose a risk for pathological pursuit in the future;
(3) relief of an individual's symptoms, including

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1 substance craving;

2 (4) improvement of an individual's own behavioral 3 control;

4 (5) enrichment of an individual's relationships,
 5 social connectedness, and interpersonal skills; and

6 (6) improvement in an individual's emotional7 self-regulation.

8 "Substance use disorder" means a pattern of use of alcohol 9 or other substances that meets the applicable diagnostic 10 criteria delineated in the Diagnostic and Statistical Manual 11 of Mental Disorders (DSM-5) of the American Psychiatric 12 Association, or in any subsequent editions.

13 "Supplement" means to add funding, consistent with Section 15, for substance use disorder abatement infrastructure or a 14 15 substance use disorder abatement program, service, support, or 16 resource to ensure current year funding exceeds the sum of 17 federal, State, and local funds allocated in the previous fiscal year enacted State budget for such substance use 18 19 disorder abatement infrastructure, program, service, support, 20 or resource.

"Treatment" means an evidence-based practice or service to intervene upon, care for, manage, slow progression of, or support recovery from a substance use disorder or co-occurring mental health disorder. Treatment is individualized to address each person's medical needs and includes, but is not limited to, screening for and diagnosing substance use disorders and 1 co-occurring mental or physical health disorders, as well as 2 pharmacological and non-pharmacological therapeutic 3 interventions for substance use disorders and co-occurring 4 mental health disorders.

5 Section 15. Opioid Litigation Proceeds Fund.

6 The Opioid Litigation Proceeds Fund is hereby (a) 7 established as a special fund in the State treasury. The Fund shall operate as a dedicated fund to be administered by the 8 9 State Treasurer. Moneys in the Fund shall not revert to the 10 General Revenue Fund of the State treasury. The State 11 Treasurer is authorized to create sub-funds or sub-accounts as 12 may be necessary or appropriate to implement the purposes of 13 this Act.

#### 14 (b) Th

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(b) There shall be credited to the Fund:

(1) proceeds received by the State in connection with legal claims made against manufacturers and distributors of prescription opioid analgesics, pharmacies that dispensed prescription opioid analgesics, and related parties, regardless of whether such proceeds are received as a lump sum or series of payments to be made over a period of time;

(2) moneys appropriated by, or transferred to, theFund by the General Assembly;

(3) gifts, donations, grants, bequests, and other
 moneys received by the State on the Fund's behalf; and

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(4) any interest on moneys in the Fund.

2 (c) Moneys in the Fund shall be spent only for the 3 following substance use disorder abatement purposes, upon the 4 approval of the Council:

5 (1) statewide or community substance use disorder 6 needs assessments to identify structural gaps and needs to 7 inform expenditures from the Fund;

8 (2) infrastructure required for evidence-based 9 substance use disorder prevention, treatment, recovery, or 10 harm reduction programs, services, and supports;

(3) programs, services, supports, and resources for evidence-based substance use disorder prevention, treatment, recovery, or harm reduction;

14 (4) law enforcement agency programs, services,
15 supports, and resources for substance use disorder
16 abatement and prevention;

17 (5) evidence-informed substance use disorder prevention, treatment, recovery, or harm reduction pilot 18 19 programs demonstration studies that. are or not. 20 evidence-based but are approved by the Council as an 21 appropriate use of moneys for a limited period of time as 22 specified by the Council. In considering evidence-informed 23 pilot programs and demonstration studies, the Council 24 shall assess whether the emerging evidence supports 25 distribution of moneys for such uses, or otherwise whether 26 there is a reasonable basis for funding such uses with the

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expectation of creating an evidence base for such uses;

2 evaluations of effectiveness (6) and outcomes 3 reporting for substance use disorder abatement services, 4 infrastructure, programs, supports, and 5 resources for which moneys from the Fund were disbursed, such as impact on access to harm reduction services or 6 treatment for substance use disorders, or reduction in 7 8 drug-related mortality;

9 (7) one or more data interfaces managed by the State, 10 an agency thereof, or law enforcement agencies, to 11 aggregate, track, and report, free of charge and available 12 online to the public, data on substance use disorder, drug-related 13 overdoses, and harms; spending 14 recommendations, plans, and reports; and outcomes of 15 programs, services, supports, and resources for which moneys from the Fund were disbursed; 16

17 (8) expenses incurred in administering and staffing 18 the Fund and the Council; provided that such expenses 19 shall not exceed 8% of the Fund's balance on an annual 20 basis; and

(9) expenses associated with managing, investing, and
disbursing moneys in the Fund; provided that such expenses
shall not exceed 2% of the Fund's balance on an annual
basis.

(d) For purposes of paragraphs (8) and (9) of subsection(c), the Fund balance shall be determined by December 31 of

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1 each year.

2 (e) Unless otherwise required by controlling court order 3 to refund to the federal government a portion of the proceeds, 4 moneys in the Fund shall be used for prospective purposes and 5 shall not be used to reimburse expenditures incurred prior to 6 the effective date of this Act.

7 (f) Proceeds derived from any State settlement of claims 8 against a manufacturer or distributor of prescription opioid 9 analgesics, pharmacy that dispensed prescription opioid 10 analgesics, or related party shall be allocated and disbursed 11 only to those units of local government that execute an 12 agreement to participate in such settlement and adhere to the 13 terms of such agreement. This restriction shall not preclude nor limit the allocation and disbursement of such settlement 14 proceeds for the benefit of persons within units of local 15 16 government that do not execute an agreement to participate in 17 such settlement or do not adhere to the terms of such 18 agreement.

19 (g) Moneys in the Fund shall be disbursed to both 20 governmental and not-for-profit non-governmental entities.

Fund disbursements shall be made by the 21 (h) State 22 Treasurer upon the approval of the Council. The State 23 Treasurer shall not make or refuse to make any disbursement allowable under this subsection (h) without the approval of 24 25 the Council. The State Treasurer shall adhere to the Council's 26 decisions regarding disbursement of moneys from the Fund so

long as such disbursement is a permissible expenditure under subsection (c). The State Treasurer's role in the distribution of moneys as approved by the Council shall be ministerial and not discretionary.

5 (i) Moneys expended from the Fund for the purposes set 6 forth in subsection (c) shall be supplemental to, and shall not supplant or take the place of, any other funds, including 7 8 insurance benefits or local, State, or federal funding, that 9 would otherwise have been expended for such purposes. The 10 State Treasurer shall not disburse moneys from the Fund during 11 any State fiscal year unless the Governor and the leaders of 12 each house of the General Assembly transmit to the Council a letter verifying that funds appropriated and allocated in such 13 fiscal year's State budget for substance use 14 disorder abatement infrastructure, programs, services, supports, and 15 16 resources for prevention, treatment, recovery, and harm 17 reduction are no less than the sum of the funds for such purposes appropriated and allocated in the previous fiscal 18 19 year's State budget. All funds appropriated for substance use 20 disorder abatement infrastructure, programs, services, 21 supports, and resources for prevention, treatment, recovery, and harm reduction shall be made available for disbursement 22 23 during the fiscal year for which they are appropriated and if not fully expended, shall be made available in each subsequent 24 25 fiscal year until fully expended.

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(j) The State Treasurer shall have the responsibility for

the investment and reinvestment of moneys in the Fund. On or before December 31 each year, the State Treasurer shall issue a public report, free of charge and available online, specifying:

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5 (1) an inventory of Fund investments as of the 6 issuance of the report;

7 (2) the net income the Fund earned for the prior 8 fiscal year;

9 (3) the dollar amount and the percentage of the Fund 10 balance incurred for expenses of administering and 11 staffing the Fund and the Council during the prior fiscal 12 year; and

(4) the dollar amount and the percentage of the Fund
balance incurred for expenses associated with managing,
investing, and disbursing moneys in the Fund during the
prior fiscal year.

17 Section 20. Opioid Litigation Proceeds Council.

18 (a) There is established the Opioid Litigation Proceeds19 Council.

(b) The purpose of the Council is to ensure that proceeds 20 21 received by this State pursuant to Section 15 are allocated 22 State substance use disorder and spent on abatement 23 infrastructure, programs, services, supports, and resources 24 for prevention, treatment, recovery, and harm reduction, and 25 to ensure robust public involvement, accountability, and

1 transparency in allocating and accounting for the moneys in 2 the Fund.

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(c) Members of the Council shall be appointed as follows:

4 (1) The Council shall be composed of 14 voting members 5 and one non-voting ex officio member. The Director of 6 Public Health shall serve as the non-voting ex officio 7 member.

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(2) Voting members must be residents of this State.

9 (3) A Council Chair, who shall be a member of the 10 Council in addition to those appointed under paragraphs 11 (4) and (5), shall be appointed by the Governor.

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(A) one member appointed by the Attorney General;

(4) The Council shall be further appointed as follows:

14 (B) two members of an association representing
15 Illinois counties appointed by the Governor;

16 (C) one member who is a medical professional with 17 experience working with the U.S. Department of 18 Veterans Affairs appointed by the Director of 19 Veterans' Affairs; and

(D) five members appointed by the Director of
Public Health, upon application to and approval by the
Director of Public Health.

(5) The Council shall also consist of 4 members of the
General Assembly appointed one each by the Speaker of the
House of Representatives, the Minority Leader of the House
of Representatives, the President of the Senate, and the

1 Minority Leader of the Senate. The requirements of 2 subsections (d), (e), and (g) shall not apply to members 3 of the General Assembly appointed under this paragraph 4 (5).

5 (d) The appointment of members to the Council shall6 account for the following requirements:

7 (1) Council membership shall include persons who have
8 experience in providing substance use disorder prevention,
9 treatment, recovery, and harm reduction services;

10 (2) Council membership shall include persons, to the 11 extent practicable, who have expertise, experience, or 12 education in public health policy or research; medicine; 13 mental health services; or public budgeting;

14 (3) Council membership shall also include individuals 15 with lived experience with substance use disorder 16 recovery; family members of persons who have, or decedents 17 who had, a substance use disorder; and representatives of communities that have been disproportionately impacted by 18 19 substance use and disparities in access to care or health 20 outcomes; and

(4) Council membership shall represent the geographic
regions of the State and shall include persons who reflect
the racial and ethnic diversity of the State.

24 (e) Council membership terms of office shall be as 25 follows:

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(1) Upon creation of the Council, the members

appointed under subsections (c) (4) (C) and (c) (4) (D) shall serve an initial 2-year term, and the members appointed under subsections (c) (3), (c) (4) (A), and (c) (4) (B) shall serve an initial one-year term to enable the staggering of terms.

6 (2)With the exception of the initial terms 7 established in paragraph (1) of this subsection (e), each 8 appointed member of the Council shall serve a 3-year term. 9 The beginning of an initial term shall be deemed to be 10 January 1 of the calendar year in which the appointment 11 occurs, regardless of whether the actual appointment date 12 occurs before or after January 1 of that year.

(f) If there is a vacancy in the Council membership, the vacancy shall be filled in the manner of the original appointment for the remainder of the term. For the purposes of reappointment, any partial term filled after a vacancy shall be considered a full term.

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(g) A Council member shall serve no more than 2 terms.

(h) Any member who is appointed may be removed by the appointing authority for failure to attend at least one-half of the scheduled meetings in any one-year period, or for unethical, dishonest, or bad faith conduct.

23 (i) Council duties and powers.

24 (1) The Council shall have the following powers and25 duties:

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(A) recommend and approve policies and procedures

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for administration of the Council and for the application, awarding, and disbursement of moneys from the Fund, to be used for the purposes set forth in subsection (c) of Section 15;

5 (B) recommend and approve goals, objectives and 6 their rationales, sustainability plans, and 7 performance indicators relating to: (i) substance use disorder prevention, treatment, recovery, and harm 8 9 reduction efforts; (ii) reducing disparities in access 10 to prevention, treatment, recovery, and harm reduction 11 programs, services, supports, and resources; and (iii) 12 improving health outcomes in traditionally underserved 13 populations, including, but not limited to, those who 14 live in rural or tribal communities, persons of color, 15 and formerly incarcerated individuals;

16 (C) approve awards of moneys from the Fund 17 exclusively for permissible expenditures set forth in 18 subsection (c) of Section 15; and

19 (D) approve suspensions of allocations of moneys 20 from the Fund to recipients found by the Council or the Department of Public Health to be substantially out of 21 22 compliance with: (i) Council policies or procedures; 23 the policies, procedures, or rules of the (ii) 24 Department of Public Health; or (iii) the approved 25 purpose or use of such monetary awards. The Council may resume approval of such allocations once the 26

Council or the Department of Public Health has
 determined the recipient has adequately remedied the
 cause of such suspension.

4 (2) The Council shall approve allocations of moneys
5 from the Fund across the State, considering the following
6 criteria, among others:

7 (A) the number of people per capita with a
8 substance use disorder in a county or region of the
9 State;

10 (B) disparities in access to care in a county or 11 region of the State that may preclude persons with a 12 substance use disorder from obtaining a diagnosis or 13 receiving evidence-based treatment;

14 (C) the number of overdose deaths per capita in a15 county or region of the State;

16 (D) the infrastructure, programs, services,
17 supports, or other resources currently available to
18 individuals with substance use disorders in a county
19 or region of the State; and

(E) disparities in access to care and health
outcomes in a county or region of the State.

(j) The Department of Public Health shall have thefollowing powers and duties with respect to the Council:

(1) employ a full-time executive director of the
 Council to plan and support the meetings and functions of
 the Council and direct the day-to-day activities required

to ensure that proceeds received by this State under 1 subsection (b) of Section 15 are allocated and spent on 2 3 State substance use disorder abatement infrastructure, services, supports, 4 programs, and resources for 5 prevention, treatment, recovery, and harm reduction, and 6 to ensure robust public involvement, accountability, and 7 transparency in allocating and accounting for the moneys 8 in the Fund;

9 (2) provide public health research and policy 10 expertise, support staff, facilities, technical 11 assistance, and other resources to assist the executive 12 director of the Council with the meetings and functions of the Council and the day-to-day activities required to 13 14 ensure that proceeds received by this State under 15 subsection (b) of Section 15 are allocated and spent on 16 State substance use disorder abatement infrastructure, 17 programs, services, supports, and resources for prevention, treatment, recovery, and harm reduction; and 18 19 to ensure robust public involvement, accountability, and 20 transparency in allocating and accounting for the monies in the Fund; 21

22 (3) utilize, where feasible, appropriations from the 23 and existing General Revenue Fund infrastructure, 24 programs, services, supports, or other resources to 25 disorders, overdoses, address substance use and 26 drug-related harms in the State;

1 (4) prepare for review and approval by the Council 2 goals, objectives and their rationales, sustainability 3 plans, and performance indicators relating to substance 4 use disorder prevention, treatment, recovery, and harm 5 reduction efforts and reducing disparities in access to 6 prevention, treatment, recovery, and harm reduction 7 programs, services, supports, and resources;

8 (5) evaluate applications and recommend to the Council 9 awards and disbursements of moneys from the Fund 10 exclusively for permissible expenditures set forth in 11 subsection (c) of Section 15;

12 (6) maintain oversight over the expenditure of moneys
13 from the Fund to ensure moneys are used exclusively for
14 the purposes set forth in subsection (c) of Section 15;

15 (7)recommend to the Council suspensions of 16 allocations of moneys from the Fund to recipients found by 17 the Department of Public Health to be out of compliance (i) Council policies or procedures; (ii) the 18 with: 19 policies, procedures, or rules of the Department of Public 20 Health; or (iii) the approved purpose or use of such 21 monetary awards;

(8) require recipients of moneys from the Fund to
provide an annual report to the Council detailing the
effectiveness of infrastructure, programs, services,
supports, and resources funded, including, at a minimum:
(i) how the recipient used the moneys for their intended

purposes; (ii) the number of individuals served by race, 1 2 age, gender, or other demographic factor reported in a 3 de-identified manner; (iii) a specific analysis of whether infrastructure, program, service, 4 the support, or 5 resources reduced mortality or improved prevention, 6 treatment, harm reduction, or recovery outcomes; and (iv) 7 plan to ensure the sustainability of if а the 8 infrastructure, program, service, support, or resources 9 funded exists, a summary of such plan;

10 (9) implement and publish on the Council or Department 11 of Public Health's website, policies and procedures for 12 administration of the Council and for the application, 13 awarding, and disbursement of moneys from the Fund, to be 14 used for the purposes set forth in subsection (c) of 15 Section 15; and

16 (10) publish on the Council and Department of Public
17 Health's website an annual report, free of charge and
18 available online to the public, of the Council's
19 activities and effectiveness pursuant to Section 30.

(k) The Council shall hold at least 4 public meetings per year. A meeting may be called by the chair or by a majority of the Council's members. Members may attend meetings in person, remotely by audio-visual means, or, upon approval by the chair, by audio-only means. Meetings shall be publicized and held in a manner reasonably designed to facilitate in-person and live-stream attendance by residents throughout the State. 1 The Council shall function in a manner consistent with the 2 Open Meetings Act and with the federal Americans with 3 Disabilities Act.

4 (1) For each meeting of the Council, a majority of the
5 appointed voting members shall constitute a quorum for the
6 transaction of business. If there is a quorum, then all
7 actions of the Council shall be taken by an affirmative vote of
8 a majority of the members present at the meeting. Each voting
9 member shall have one vote.

10 (m) Members of the Council shall receive no compensation 11 for serving as members, but may be reimbursed for their actual 12 and necessary expenses incurred in carrying out their duties 13 as members of the Council.

(n) Members must disclose to the Council, refrain from participating in discussions, and recuse themselves from voting on any matter before the Council if members have a conflict of interest.

(o) The Council will terminate when all moneys received pursuant to subsection (b) of Section 15 have been received and disbursed, unless the Attorney General certifies that additional moneys are anticipated.

(p) The Council shall create and maintain a website, free of charge and available to the public, which shall include, at a minimum, Council meeting attendance rolls and minutes, including, but not limited to: (i) records of all votes on expenditures of moneys from the Fund; (ii) recipient

agreements and reports required under paragraph (8) of subsection (j); (iii) policies and procedures approved by the Council; (iv) Council-related policies, procedures, and rules, adopted by Council; and the Council's annual reports.

5 Section 25. Court order.

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6 (a) Except as provided in subsection (b), the Council 7 shall disburse moneys from the Fund in a manner consistent 8 with the limitations on uses of litigation proceeds set forth 9 in any controlling court order.

10 (b) If a controlling court order permits expenditures 11 other than or in excess of expenditures authorized under 12 subsection (c) of Section 15, the Council shall adhere to the limitations on use of moneys set forth in subsection (c) of 13 14 Section 15. If subsection (c) of Section 15 permits 15 expenditures other than or in excess of those authorized in a 16 controlling court order, the Council shall adhere to the limitations on use of moneys set forth in the court order. If a 17 18 controlling court order allocates litigation proceeds among counties or regions of this State, paragraph (2) of subsection 19 20 (i) of Section 20 shall not apply, and the Council shall 21 disburse moneys from the Fund according to the allocations set 22 forth in the court order.

23 Section 30. Reporting.

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(a) Not later than December 31 of each year, beginning one

year after the initial deposit of proceeds into the Fund, the Department of Public Health, in consultation with the Council, shall provide a written report to the Governor and the General Assembly detailing the Council's activities during the prior calendar year. The report shall be published on the website of the Council and the Department of Public Health.

7 (b) The written annual report on the Council's activities8 shall include, at a minimum:

9 (1) the opening and closing balance of the Fund for 10 the calendar year;

11 (2) an accounting of all credits to, and expenditures 12 from, the Fund;

13 (3) the name and a description of each recipient of 14 moneys from the Fund, and the amount awarded to such 15 recipient;

(4) a description of each award's intended use,
including the specific program, service, or resource
funded, the population served, and the measures that the
recipient will use to assess the impact of the award;

20 (5) the primary criteria used to determine each
21 recipient and its respective award amount;

(6) a summary of information included in the recipient
report required under paragraph (8) of subsection (j) of
Section 20;

(7) all applications for an award of moneys from the
Fund received during the calendar year;

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1 (8) a description of any finding or concern as to 2 whether all moneys disbursed from the Fund, other than 3 expenses authorized under paragraphs (8) and (9) of 4 subsection (c) of Section 15, supplemented, and did not 5 supplant or replace, any existing or future local, State, 6 or federal government funding; and

7 (9) the performance indicators and progress toward 8 achieving the goals and objectives developed under 9 subparagraph (B) of paragraph (1) of subsection (i) of 10 Section 20, including metrics on improving outcomes and 11 reducing mortality and other harms related to substance 12 use disorders.

13 Section 35. Rules. The Department of Public Health shall 14 adopt rules for the implementation of this Act, including, but 15 not limited to, guidelines and requirements related to 16 providing staff, facilities, technical assistance, and other 17 resources to assist with the meetings and functions of the 18 Council.

Section 100. The State Finance Act is amended by adding Section 5.990 as follows:

21 (30 ILCS 105/5.990 new)

22 <u>Sec. 5.990. The The Opioid Litigation Proceeds Fund.</u>