

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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