

SENATE BILL No. 350

By Committee on Ways and Means

1-16

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

7
8 *Be it enacted by the Legislature of the State of Kansas:*

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

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

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

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

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

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

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

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

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

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

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

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

16 (2) one member appointed by the governor;

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

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

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

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

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

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

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

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

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

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

38 (c) In awarding grants, the board:

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

43 (2) shall take into account science and data-driven substance abuse

- 1 prevention reduction, treatment or mitigation strategies;
- 2 (3) shall consult with the Kansas prescription drug and opioid
3 advisory committee, the department of health and environment, the
4 insurance department and other appropriate public and private entities to
5 ensure coordination of drug abuse and addiction prevention and mitigation
6 efforts throughout the state;
- 7 (4) shall approve grants only in compliance with the requirements of
8 K.S.A. 2023 Supp. 75-777, and amendments thereto;
- 9 (5) shall consider the sustainability of programming after grant funds
10 are exhausted;
- 11 (6) may establish conditions for the award of grants and require
12 assurance and subsequent review to ensure such conditions are satisfied;
- 13 (7) may give preference to qualified applicants that are not otherwise
14 seeking or receiving funds from opioid litigation; and
- 15 (8) may give preference to grants that expand availability of certified
16 drug abuse treatment programs authorized by K.S.A. 21-6824, and
17 amendments thereto.
- 18 (d) (1) The attorney general shall provide administrative support for
19 the board and shall administer, monitor and assure compliance with
20 conditions on grants awarded.
- 21 (2) To carry out the duties and responsibilities under paragraph (1),
22 the attorney general may enter into an agreement with the sunflower
23 foundation to provide such administration, monitoring and assurance of
24 compliance. Such agreement may:
- 25 (A) Provide for the attorney general to periodically transfer moneys
26 from the Kansas fights addiction fund to the sunflower foundation. The
27 sunflower administration shall administer any such moneys in a manner
28 consistent with this act and with grants approved by the board. If an
29 agreement authorized by this subsection is in effect, the attorney general
30 may transfer moneys from the Kansas fights addiction fund to the
31 sunflower foundation pursuant to such agreement;
- 32 (B) provide for a reasonable fee or other compensation for the
33 sunflower foundation for services related to this act;
- 34 (C) make provision for the use of any earnings on moneys transferred
35 to the sunflower foundation pursuant to this act and invested by the
36 sunflower foundation; and
- 37 (D) contain other provisions as may be reasonably necessary and
38 appropriate to carry out the provisions of this act.
- 39 (3) The attorney general may take any action necessary to ensure the
40 greatest possible recovery from opioid litigation and to seek funds for the
41 Kansas fights addiction fund and the municipalities fight addiction fund.
- 42 (e) Members of the board shall not receive compensation ~~or~~ *but shall*
43 *be paid subsistence allowances, mileage and other expenses for serving on*

1 *as provided in K.S.A. 75-3223, and amendments thereto, when attending*
2 *meetings of the board after January 8, 2024.* Each member shall file a
3 statement of substantial interest as provided in K.S.A. 46-248 through 46-
4 252, and amendments thereto. No member shall participate in the
5 consideration of any grant application for which such member has a
6 conflict of interest.

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

8 Sec. 4. This act shall take effect and be in force from and after its
9 publication in the Kansas register.