

As Amended by House Committee

Session of 2023

SENATE BILL No. 307

By Committee on Ways and Means

3-9

1 AN ACT concerning the Kansas fights addiction act; ~~relating to~~
2 ~~definitions~~; adding for-profit private entities to the definition of
3 "qualified applicant"; **authorizing members of the Kansas fights**
4 **addiction grant review board to be paid subsistence allowances,**
5 **mileage and other expenses when attending meetings of the board**
6 **after January 8, 2024**; amending K.S.A. ~~2022~~ 2023 Supp. 75-776 and
7 **75-778** and repealing the existing ~~section~~ sections.
8

9 *Be it enacted by the Legislature of the State of Kansas:*

10 Section 1. K.S.A. ~~2022~~ 2023 Supp. 75-776 is hereby amended to read
11 as follows: 75-776. As used in K.S.A. ~~2022~~ 2023 Supp. 75-775 through
12 75-781, and amendments thereto:

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

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

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

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

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

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

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

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

1 official thereof.

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

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

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

17 (2) one member appointed by the governor;

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

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

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

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

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

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

27 (9) one member appointed by the Kansas county and district
28 attorneys association;

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

31 (11) one member appointed by the behavioral sciences regulatory
32 board.

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

40 (c) In awarding grants, the board:

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

1 congressional districts;

2 (2) shall take into account science and data-driven substance
3 abuse prevention reduction, treatment or mitigation strategies;

4 (3) shall consult with the Kansas prescription drug and opioid
5 advisory committee, the department of health and environment, the
6 insurance department and other appropriate public and private
7 entities to ensure coordination of drug abuse and addiction prevention
8 and mitigation efforts throughout the state;

9 (4) shall approve grants only in compliance with the requirements
10 of K.S.A. 2023 Supp. 75-777, and amendments thereto;

11 (5) shall consider the sustainability of programming after grant
12 funds are exhausted;

13 (6) may establish conditions for the award of grants and require
14 assurance and subsequent review to ensure such conditions are
15 satisfied;

16 (7) may give preference to qualified applicants that are not
17 otherwise seeking or receiving funds from opioid litigation; and

18 (8) may give preference to grants that expand availability of
19 certified drug abuse treatment programs authorized by K.S.A. 21-
20 6824, and amendments thereto.

21 (d) (1) The attorney general shall provide administrative support
22 for the board and shall administer, monitor and assure compliance
23 with conditions on grants awarded.

24 (2) To carry out the duties and responsibilities under paragraph
25 (1), the attorney general may enter into an agreement with the
26 sunflower foundation to provide such administration, monitoring and
27 assurance of compliance. Such agreement may:

28 (A) Provide for the attorney general to periodically transfer
29 moneys from the Kansas fights addiction fund to the sunflower
30 foundation. The sunflower administration shall administer any such
31 moneys in a manner consistent with this act and with grants approved
32 by the board. If an agreement authorized by this subsection is in
33 effect, the attorney general may transfer moneys from the Kansas
34 fights addiction fund to the sunflower foundation pursuant to such
35 agreement;

36 (B) provide for a reasonable fee or other compensation for the
37 sunflower foundation for services related to this act;

38 (C) make provision for the use of any earnings on moneys
39 transferred to the sunflower foundation pursuant to this act and
40 invested by the sunflower foundation; and

41 (D) contain other provisions as may be reasonably necessary and
42 appropriate to carry out the provisions of this act.

43 (3) The attorney general may take any action necessary to ensure

1 **the greatest possible recovery from opioid litigation and to seek funds**
2 **for the Kansas fights addiction fund and the municipalities fight**
3 **addiction fund.**

4 **(e) Members of the board shall not receive compensation—~~or,~~**
5 *except that members shall be paid subsistence allowances, mileage and*
6 *other expenses—~~for serving on~~ as provided in K.S.A. 75-3223, and*
7 *amendments thereto, when attending meetings of the board after January*
8 *8, 2024, if such members are not being reimbursed for such expenses by*
9 *their appointing authority, employer or any other entity. Each member*
10 *shall file a statement of substantial interest as provided in K.S.A. 46-248*
11 *through 46-252, and amendments thereto. No member shall participate in*
12 *the consideration of any grant application for which such member has a*
13 *conflict of interest.*

14 ~~Sec. 2. 3. K.S.A. 2022 2023 Supp. 75-776-~~is~~ and 75-778 are hereby~~
15 ~~repealed.~~

16 ~~Sec. 3. 4. This act shall take effect and be in force from and after its~~
17 ~~publication in the statute book.~~