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AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;  
CREATING THE OPIOID SETTLEMENT RESTRICTED FUND; CREATING THE  
OPIOID CRISIS RECOVERY FUND; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of Chapter 6, Article 4 NMSA  
1978 is enacted to read:

"OPIOID SETTLEMENT RESTRICTED FUND

CREATED--ADMINISTRATION--INCOME TO THE FUND.--

A. The "opioid settlement restricted fund" is  
created as a nonreverting fund in the state treasury,  
separate and distinct from the general fund. The opioid  
settlement restricted fund consists of money, other than  
attorney fees and costs, paid to the state pursuant to the  
New Mexico opioid allocation agreement and pursuant to:

- (1) the distributor settlement agreement;
- and
- (2) opioid settlements.

B. The opioid settlement restricted fund also  
consists of appropriations and donations. Money in the fund  
shall be invested by the state investment officer in  
accordance with law. Income from investment of the fund  
shall be credited to the fund.

C. Opioid funds designated by the New Mexico

1 opioid allocation agreement to be distributed to local  
2 governments shall not be deposited into the fund.

3 D. Appropriations from the opioid settlement  
4 restricted fund shall only be made to the opioid crisis  
5 recovery fund and shall not be made for any other purpose.

6 E. On July 1, 2024, a distribution shall be made  
7 from the opioid settlement restricted fund to the opioid  
8 crisis recovery fund in an amount equal to five percent of  
9 the year-end market value of the opioid settlement restricted  
10 fund for the immediately preceding fiscal year.

11 F. On July 1, 2025, a distribution shall be made  
12 from the opioid settlement restricted fund to the opioid  
13 crisis recovery fund in an amount equal to five percent of  
14 the average of the year-end market value of the opioid  
15 settlement restricted fund for the immediately preceding two  
16 calendar years.

17 G. On July 1, 2026, and on each July 1 thereafter,  
18 a distribution shall be made from the opioid settlement  
19 restricted fund to the opioid crisis recovery fund in an  
20 amount equal to five percent of the average of the year-end  
21 market values of the opioid settlement restricted fund for  
22 the immediately preceding three calendar years.

23 H. For the purposes of this section:

24 (1) "distributor settlement agreement" means  
25 the settlement agreement between the state and participating

1 political subdivisions and opioid distributors, including  
2 McKesson corporation, Cardinal health and AmerisourceBergen  
3 corporation, dated as of July 21, 2021 and any revision to  
4 the agreement;

5 (2) "local government" means every  
6 litigating county and municipality, each county regardless of  
7 population and each municipality with a population exceeding  
8 ten thousand according to the latest federal decennial  
9 census, any special district identified in the distributor  
10 settlement agreement and any local government identified in  
11 the New Mexico opioid allocation agreement within the  
12 geographic boundaries of New Mexico;

13 (3) "New Mexico opioid allocation agreement"  
14 means the agreement entered into between the state and  
15 various local governments on March 7, 2022 that relates to  
16 the allocation of opioid funds in New Mexico;

17 (4) "opioid funds" means money obtained  
18 through judgments or settlements as arising from the  
19 liability of distributors of opioids, manufacturers of  
20 opioids, pharmacies for the selling of opioids or the  
21 consultants, agents or associates of distributors,  
22 manufacturers or pharmacies; and

23 (5) "opioid settlements" means judgments or  
24 settlements arising from the liability of distributors of  
25 opioids, manufacturers of opioids, pharmacies for the selling

1 of opioids or the consultants, agents or associates of  
2 distributors, manufacturers or pharmacies."

3 SECTION 2. A new section of Chapter 6, Article 4 NMSA  
4 1978 is enacted to read:

5 "OPIOID CRISIS RECOVERY FUND--USE OF FUND MONEY--INCOME  
6 TO THE FUND.--

7 A. The "opioid crisis recovery fund" is created as  
8 a nonreverting fund in the state treasury. Money in the fund  
9 shall be invested by the state treasurer as provided by law,  
10 and income from investment of the fund shall be credited to  
11 the fund.

12 B. Money in the opioid crisis recovery fund may  
13 only be expended upon appropriation by the legislature and  
14 shall only be opioid remediation expenditures. Priority  
15 shall be given to appropriations that support evidence-based  
16 statewide and regional programs that seek to abate opioid use  
17 disorders and any co-occurring substance use disorders or  
18 mental health conditions.

19 C. The opioid crisis recovery fund consists of  
20 distributions made to the fund from the opioid settlement  
21 restricted fund, appropriations and donations.

22 D. In accordance with this section, money in the  
23 opioid crisis recovery fund shall be allocated to statewide  
24 and regional programs, including programs that use  
25 evidence-based strategies to:

1 (1) treat opioid use disorders and any  
2 co-occurring substance use disorders or mental health  
3 conditions;

4 (2) provide connections to care for  
5 individuals who have or are at risk of developing opioid use  
6 disorders and any co-occurring substance use disorders or  
7 mental health conditions;

8 (3) address the needs of individuals with  
9 opioid use disorders and any co-occurring substance use  
10 disorders or mental health conditions and who are involved  
11 in, at risk of becoming involved in or in transition from the  
12 criminal justice system;

13 (4) address the needs of pregnant or  
14 parenting women with opioid use disorders and any  
15 co-occurring substance use disorders or mental health  
16 conditions and the needs of their families, including babies  
17 with neonatal abstinence syndrome;

18 (5) support efforts to prevent over-  
19 prescribing of opioids and ensure appropriate prescribing and  
20 dispensing of opioids;

21 (6) support efforts to discourage or prevent  
22 misuse of opioids;

23 (7) support efforts to prevent or reduce  
24 overdose deaths or other opioid-related harms;

25 (8) educate law enforcement or other first

1 responders regarding appropriate practices and precautions  
2 when dealing with users of fentanyl or other opioids; or

3 (9) provide wellness and support services  
4 for first responders and others who experience secondary  
5 trauma associated with opioid-related emergency events.

6 E. In accordance with this section, a portion of  
7 the money may be allocated toward research on opioid  
8 abatement or evaluations of effectiveness and outcomes  
9 reporting for substance use disorder abatement  
10 infrastructure, programs, services, supports and resources  
11 for which money from the opioid crisis recovery fund was  
12 disbursed, such as the impact on access to harm reduction  
13 services or treatment for substance use disorders or a  
14 reduction in drug-related mortality.

15 F. For the purposes of this section:

16 (1) "distributor settlement agreement" means  
17 the settlement agreement between the state and participating  
18 political subdivisions and opioid distributors, including  
19 McKesson corporation, Cardinal health and AmerisourceBergen  
20 corporation, dated as of July 21, 2021 and any revision to  
21 the agreement;

22 (2) "evidence-based" means an activity,  
23 practice, program, service, support or strategy that meets  
24 one of the following evidentiary criteria:

25 (a) systematic reviews or meta analyses

1 have found the activity, practice, program, service, support  
2 or strategy to be effective;

3 (b) evidence from a scientifically  
4 rigorous experimental study, including a randomized  
5 controlled trial, demonstrates that the activity, practice,  
6 program, service, support or strategy is effective; or

7 (c) multiple observational studies from  
8 locations in the United States indicate that the activity,  
9 practice, program, service, support or strategy is effective;  
10 and

11 (3) "opioid remediation expenditure" means  
12 expenditures on care, treatment and other programs, including  
13 reimbursement for past programs or expenditures, consistent  
14 with the distributor settlement agreement and designed to:

15 (a) address the misuse and abuse of  
16 opioid products;

17 (b) treat or mitigate opioid use  
18 disorder or related disorders; or

19 (c) mitigate other effects of the  
20 opioid epidemic."

21 SECTION 3. EMERGENCY.--It is necessary for the public  
22 peace, health and safety that this act take effect  
23 immediately. \_\_\_\_\_