



Reprinted
January 26, 2022

HOUSE BILL No. 1193

DIGEST OF HB 1193 (Updated January 25, 2022 7:16 pm - DI 125)

Citations Affected: IC 4-6.

Synopsis: Opioid litigation. Amends the deadline by which a political subdivision may opt back in to an opioid litigation settlement. Removes language providing that no political subdivision has any claim to any settlement proceeds for litigation against any opioid party not yet filed by the state as of a certain date. Changes the basis by which the agency settlement fund distributes funds to cities, counties, and towns. Reduces the percentage of opioid litigation settlement funds distributed for use of statewide treatment, education, and prevention programs for opioid use disorder. Provides that 35% of opioid litigation settlement funds are to be distributed to cities, counties, and towns for regional programs for treatment, prevention, and care that are best practices for opioid use disorder.

Effective: Upon passage.

Karickhoff, Brown T, GiaQuinta

January 6, 2022, read first time and referred to Committee on Ways and Means.
January 20, 2022, amended, reported — Do Pass.
January 25, 2022, read second time, amended, ordered engrossed.

HB 1193—LS 6574/DI 149



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Second Regular Session of the 122nd General Assembly (2022)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2021 Regular Session of the General Assembly.

HOUSE BILL No. 1193

A BILL FOR AN ACT to amend the Indiana Code concerning state offices and administration.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 4-6-15-2, AS ADDED BY P.L.165-2021,
2 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 UPON PASSAGE]: Sec. 2. (a) Except as provided in subsection (b), all
4 political subdivisions shall be considered a party to any settlement,
5 including a settlement in lieu of litigation, in opioid litigation by the
6 attorney general with an opioid party that is finalized with court
7 approval after March 1, 2021. Except as provided in subsection (b),
8 political subdivisions shall be bound by the terms of any opioid
9 litigation settlement imposed by a bankruptcy court or any other court
10 of competent jurisdiction as accepted by the attorney general.

11 (b) A political subdivision that has filed opioid litigation on or
12 before January 1, 2021, may opt out of the settlement described in this
13 section and choose to pursue its own claims by submitting written
14 documentation as prescribed in subsection (c) to the attorney general
15 by June 30, 2021. Except as provided in subsection (d), any political
16 subdivision that opts out and chooses to maintain its own lawsuit under
17 this section shall have no claim to any state or political subdivision

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1 funds paid according to the settlement authorized or approved by the
2 attorney general.

3 (c) A document submitted by a political subdivision under
4 subsection (b) to opt out of the settlement shall include:

- 5 (1) the name of the political subdivision electing to opt out;
6 (2) contact information for an individual at the political
7 subdivision who can provide information regarding the decision
8 to opt out; and
9 (3) a certified copy of the resolution adopted by the political
10 subdivision to opt out;

11 of the settlement.

12 (d) Notwithstanding subsection (b), a political subdivision may opt
13 back in to a settlement by submission of:

- 14 (1) the name of the political subdivision opting back in;
15 (2) contact information for an individual at the political
16 subdivision who can provide information regarding the decision
17 to opt back in; and
18 (3) a certified copy of the resolution adopted by the political
19 subdivision to opt back in;

20 to the settlement to the attorney general by ~~the earlier of sixty (60) days~~
21 ~~after the political subdivision adopted a resolution to opt out of the~~
22 ~~settlement or September 30, 2021, whichever occurs first. July 15,~~
23 **2022.**

24 (e) A political subdivision that has not made a choice to opt out or
25 that has opted back in to the settlement is bound by full release, waiver,
26 and dismissal of all claims against the opioid party.

27 ~~(f) No political subdivision has any claim to any settlement proceeds~~
28 ~~for litigation against any opioid party not yet filed by the state as of the~~
29 ~~effective date of this chapter, as added by HEA 1001-2021.~~

30 SECTION 2. IC 4-6-15-4, AS ADDED BY P.L.165-2021,
31 SECTION 36, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
32 UPON PASSAGE]: Sec. 4. (a) Funds received from opioid litigation
33 settlements that resolve existing state and political subdivision
34 litigation lawsuits as of January 1, 2021, shall be distributed in the
35 following manner:

- 36 (1) Fifteen percent (15%) to the agency settlement fund
37 established by IC 4-12-16-2 for the benefit of the state.
38 (2) Fifteen percent (15%) to the agency settlement fund
39 established by IC 4-12-16-2 for distribution to cities, counties,
40 and towns on a per capita basis. For purposes of this subdivision,
41 the population, as determined under IC 1-1-3.5-3(a), of a county
42 is the aggregate population for all unincorporated areas of the



1 county: according to a weighted distribution formula
 2 identified in settlement documents that accounts for opioid
 3 impacts in communities.

4 (3) ~~Seventy percent (70%)~~ **Thirty-five percent (35%)** to the
 5 agency settlement fund established by IC 4-12-16-2 to be used for
 6 statewide treatment, education, and prevention programs for
 7 opioid use disorder and any co-occurring substance use disorder
 8 or mental health issues as defined or required by the settlement
 9 documents or court order.

10 **(4) Thirty-five percent (35%) to the agency settlement fund**
 11 **established by IC 4-12-16-2 for distribution to cities, counties,**
 12 **and towns according to a weighted distribution formula**
 13 **identified in settlement documents that accounts for opioid**
 14 **impacts in communities. However, if a city's or town's annual**
 15 **distribution under this subdivision is less than one thousand**
 16 **dollars (\$1,000), the city's or town's annual distribution must**
 17 **instead be distributed to the county in which the city or town**
 18 **is located. Distributions under this subdivision may be used**
 19 **only for regional programs of treatment, prevention, and care**
 20 **that are best practices as defined or required by the**
 21 **settlement documents or court order.**

22 (b) The ~~amount~~ **amounts** distributed to the agency settlement fund
 23 under ~~subsection (a)(2)~~ is **subsection (a)(2) and (a)(4) are** annually
 24 appropriated to the office of the attorney general to make the
 25 distributions described under ~~subsection (a)(2):~~ **subsection (a)(2) and**
 26 **(a)(4).**

27 (c) The amount distributed to the agency settlement fund under
 28 subsection (a)(3) is annually appropriated to the office of the secretary
 29 of family and social services for treatment, education, and prevention
 30 programs for opioid use disorder and any co-occurring substance use
 31 disorder or mental health issues as defined or required by the
 32 settlement documents or court order. ~~The office of the secretary of~~
 33 ~~family and social services shall allocate fifty percent (50%) of the~~
 34 ~~funds received annually under this subsection to eligible~~
 35 ~~community-based treatment, education, and prevention programs for~~
 36 ~~opioid use disorder and any co-occurring substance use disorder or~~
 37 ~~mental health issues. The office of the secretary of family and social~~
 38 ~~services shall divide the state into regions based on population and~~
 39 ~~ensure that funds are awarded to participating entities in each region of~~
 40 ~~the state. Data from calendar years beginning after December 31, 2017,~~
 41 ~~and ending before January 1, 2021, related to opioid use disorder~~
 42 ~~during those calendar years, including overdoses and deaths, may be~~



1 considered in the process of determining regional funding allocations
2 under this subsection. The office of the secretary of family and social
3 services may adopt rules under IC 4-22-2 to define the regions within
4 the state and for determining a process for the application and awarding
5 of funds. Before the remaining fifty percent (50%) **thirty-five percent**
6 **(35%)** of the funds received under this subsection may be distributed,
7 the office of the secretary of family and social services shall submit a
8 distribution plan to the budget committee for review.

9 (d) All entities receiving settlement funds to be used for treatment,
10 education, and prevention programs for opioid use disorder and any
11 co-occurring substance use disorder or mental health issues shall
12 monitor the use of those funds and provide an annual report to the
13 office of the secretary of family and social services not later than a date
14 determined by the office of the secretary of family and social services.

15 (e) The office of the secretary of family and social services shall
16 compile and submit an annual comprehensive report of the information
17 received under subsection (d) to the general assembly in an electronic
18 format under IC 5-14-6 not later than October 1 of each year
19 identifying all funds committed and used as specified by any settlement
20 documents or court order.

21 **SECTION 3. An emergency is declared for this act.**



COMMITTEE REPORT

Mr. Speaker: Your Committee on Ways and Means, to which was referred House Bill 1193, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Delete everything after the enacting clause and insert the following:

(SEE TEXT OF BILL)

and when so amended that said bill do pass.

(Reference is to HB 1193 as introduced.)

BROWN T

Committee Vote: yeas 20, nays 0.

 HOUSE MOTION

Mr. Speaker: I move that House Bill 1193 be amended to read as follows:

Page 2, line 40, strike "on a per capita basis. For purposes of this subdivision,".

Page 2, strike lines 41 through 42.

Page 3, line 1, strike "county." and insert "**according to a weighted distribution formula identified in settlement documents that accounts for opioid impacts in communities.**".

Page 3, line 2, strike "Seventy percent (70%)" and insert "**Thirty-five percent (35%)**".

Page 3, between lines 6 and 7, begin a new line block indented and insert:

"(4) Thirty-five percent (35%) to the agency settlement fund established by IC 4-12-16-2 for distribution to cities, counties, and towns according to a weighted distribution formula identified in settlement documents that accounts for opioid impacts in communities. However, if a city's or town's annual distribution under this subdivision is less than one thousand dollars (\$1,000), the city's or town's annual distribution must instead be distributed to the county in which the city or town is located. Distributions under this subdivision may be used only for regional programs of treatment, prevention, and care



that are best practices as defined or required by the settlement documents or court order."

Page 3, line 7, strike "amount" and insert "**amounts**".

Page 3, line 8, strike "subsection (a)(2) is" and insert "**subsection (a)(2) and (a)(4) are**".

Page 3, line 9, strike "subsection (a)(2)." and insert "**subsection (a)(2) and (a)(4).**".

Page 3, line 15, strike "The office of the secretary of".

Page 3, strike lines 16 through 17.

Page 3, line 30, delete "regional programs of treatment, prevention, and care that".

Page 3, delete line 31.

Page 3, line 32, delete "family and social services."

Page 3, line 32, strike "remaining fifty percent (50%)" and insert "**thirty-five percent (35%)**".

(Reference is to HB 1193 as printed January 20, 2022.)

BROWN T

