

SENATE BILL REPORT

SSB 6099

As Amended by House, March 1, 2024

Title: An act relating to creating the tribal opioid prevention and treatment account.

Brief Description: Creating the tribal opioid prevention and treatment account.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Braun, Kauffman and Mullet).

Brief History:

Committee Activity: Ways & Means: 1/15/24, 2/01/24 [DPS].

Floor Activity: Passed Senate: 2/12/24, 49-0.

Passed House: 3/1/24, 96-0.

Brief Summary of First Substitute Bill

- Creates the Tribal Opioid Prevention and Treatment Account in the custody of the state treasurer to address the opioid epidemic in tribal communities.
- Directs that either 20 percent of receipts over the prior fiscal year to the Opioid Abatement Settlement Account, or \$7.75 million, whichever is greater, be deposited in Tribal Opioid Prevention and Treatment Account annually.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Substitute Senate Bill No. 6099 be substituted therefor, and the substitute bill do pass.

Signed by Senators Robinson, Chair; Mullet, Vice Chair, Capital; Nguyen, Vice Chair, Operating; Wilson, L., Ranking Member, Operating; Gildon, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Warnick, Assistant Ranking Member, Capital; Billig, Boehnke, Braun, Conway, Dhingra, Hasegawa, Hunt, Keiser, Muzzall,

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Pedersen, Randall, Saldaña, Torres, Van De Wege, Wagoner and Wellman.

Staff: Corban Nemeth (786-7736)

Background: On October 3, 2022, the state of Washington entered into a settlement, known as the Distributors Settlement, with three companies, McKesson Corp., Cardinal Health Inc., and AmerisourceBergen Drug Corp., found to have played key roles in the opioid epidemic. On June 12, 2023, resolutions between the state and four companies that produced or sold opioids, CVS, Walgreens, Teva, and Allergan, became effective. Payments from these settlements will be received by the state over a period of time ranging from 6 to 17 years. The payments that the state will receive pursuant to the distributor and producer settlements total approximately \$480 million. Settlements with other distributors and producers such as Purdue Pharma are still pending.

Tribes located in the state of Washington are not parties to the state opioid settlements and may have signed separate settlement agreements.

In 2023 the Legislature created the Opioid Abatement Settlement Account for deposit of settlement money received to abate the opioid epidemic to be appropriated for opioid remediation pursuant to settlement agreements. This does not include funding the state jointly administers with smaller counties or funding received directly by larger counties.

The Legislature has appropriated funding from the Opioid Abatement Settlement account totaling \$85 million in the 2023-25 biennium. Of the amounts appropriated, approximately \$15.5 million was provided to the Health Care Authority (HCA) to pass through to tribes and urban Indian health programs for opioid and overdose response activities.

Summary of First Substitute Bill: The Tribal Opioid Prevention and Treatment Account (TOPTA) is created in the custody of the state treasurer. The TOPTA retains interest earnings. Beginning July 1, 2025, and annually thereafter, the treasurer must transfer the greater of \$7.75 million or 20 percent of receipts from the prior fiscal year from the Opioid Abatement Settlement Account to the Tribal Opioid Prevention and Treatment Account. No transfer to the account is required if the average revenues received by the Opioid Abatement Settlement Account per fiscal year over the prior two fiscal years is less than \$7.750 million.

Appropriations from the TOPTA must be used to address the opioid epidemic in tribal communities including, prevention and recovery services, treatment programs including medication-assisted treatment, peer services, awareness campaigns, education, and support for first responders.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on July 1, 2024.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: The state with the highest opioid overdose rate is West Virginia. The overdose rate for tribes in Washington is 50 percent higher than that. It is time for the state to pitch in and help, and this account serves that purpose. This bill doesn't just support the enrolled citizens of each tribe, it also helps the entire community that surrounds tribes. When we help and heal tribes, we help and heal everyone. This dedicated account is a necessity to contribute to the work that the tribes are undertaking to overcome the opioid epidemic. Tribes are focused on prevention and treatment of the opioid epidemic, and this bill is important to our nations and our communities. Having to go to a funeral everyday, with ongoing emergency declarations, shows us that it is time for a response to the opioid crisis. The guaranteed funding in the bill over a long time period will help us plan and use these resources to help those who have been harmed by opioids. Please do not add additional reporting requirements to this funding.

Persons Testifying: PRO: Senator John Braun, Prime Sponsor; Vice Chair Loni Greninger, Jamestown S'Klallam Tribe; Jarred-Michael Erickson, Confederated Tribes of the Colville Reservation; Council Jeremy Takala, Confederated Tribes and Bands of the Yakama Nation; Anthony Hillaire, Lummi Nation.

Persons Signed In To Testify But Not Testifying: No one.

EFFECT OF HOUSE AMENDMENT(S):

- Ends the requirement of the annual transfer of a minimum amount of \$7.75 million from the Opioid Abatement Settlement Account (Settlement Account) into the Tribal Opioid Account, effective June 30, 2031.
- Beginning July 1, 2031, the annual transfer amounts into the Tribal Opioid Account must be 20 percent of the moneys deposited into the Settlement Account during the prior fiscal year.