

**TWENTY-THIRD NORTHERN MARIANAS COMMONWEALTH**

**LEGISLATURE**

**IN THE HOUSE OF REPRESENTATIVES**

\_\_\_\_\_ Session, 2023

H. B. 23- 80

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**A BILL FOR AN ACT**

To establish a fund from opioid settlement monies and a council to oversee funding for substance abuse abatement programs.

**BE IT ENACTED BY THE 23<sup>RD</sup> NORTHERN MARIANAS  
COMMONWEALTH LEGISLATURE:**

1           **Section 1. Findings and Purpose.** The Commonwealth of the Northern  
2 Mariana Islands (CNMI) anticipates receiving substantial payments from  
3 settlement of litigation against the manufacturers and distributors of prescription  
4 opioid analgesics, pharmacies dispensing prescription opioid analgesics and related  
5 parties for alleged contributions to high rates of drug overdoses and other drug-  
6 related harms.

7           Using this money to address substance use disorders, overdoses, and drug-  
8 related harms will require dedication, resources, and many years. Directing opioid  
9 litigation proceeds to establish, sustain, and expand substance use abatement  
10 services for prevention, treatment, recovery, and harm reduction in the Northern  
11 Mariana Islands will represent a critically important down payment on work to be

1 done.

2 This bill establishes a dedicated fund for substance abuse disorder  
3 abatement. This bill also establishes a Council to handle the award of monies to  
4 agencies that engage in substance abuse disorder abatement.

5 **Section 2. Amendment.** Title 3, Division 2, Chapter 1 is amended by adding  
6 a new Article 11 as follows:

7 **“Article 11. Opioid Settlement Fund and Council**

8 § 21111 Opioid Settlement Fund

9 (a) Fund established. The Opioid Litigation Proceeds Fund is hereby  
10 established in the Commonwealth treasury. The Fund shall operate as a  
11 dedicated fund to be administered by the Department of Finance. Monies in the  
12 Fund shall not revert to the General Fund of the Commonwealth treasury.

13 (b) Credits to Fund. There shall be credited to the Fund:

14 (1) Proceeds received by the Commonwealth in connection with legal  
15 claims made against manufacturers and distributors of prescription opioid  
16 analgesics, pharmacies that dispensed prescription opioid analgesics, and  
17 related parties, regardless of whether such proceeds are received as a lump  
18 sum or series of payments to be made over a period of time;

19 (2) Monies appropriated by or transferred to the Fund by the  
20 Legislature;

1           (3) Gifts, donations, grants, bequests, and other monies received by the  
2           Commonwealth on the Fund's behalf; and

3           (4) Any interest in monies in the Fund.

4           (c) Permissible expenditures. Monies in the Fund shall be spent only for  
5           substance use disorder abatement purposes, upon the approval of the Opioid  
6           Proceeds Council (Council), and through the following entities:

7           (1) The Hinemlu O'hala Eteramenti (H.O.P.E.) Recovery Center under  
8           the Office of the Governor's Substance Abuse, Addiction and  
9           Rehabilitation Program;

10          (2) The Substance Abuse Treatment and Recovery Clinic under the  
11          Community Guidance Center (CGC);

12          (3) The Drug Court Division of the CNMI Judiciary;

13          (4) Any non-profit that engages in substance abuse prevention; and

14          (5) The Council, provided that administration expenses shall not  
15          exceed five (5) percent of the Fund's balance on an annual basis.

16          (d) Prospective use. Unless otherwise required by controlling court order to  
17          refund to the federal government a portion of the Proceeds, monies in the Fund  
18          shall be used for prospective purposes and shall not be used to reimburse  
19          expenditures incurred prior to the effective date of this Act;

20          (e) Disbursement. Funds disbursements shall be made by the Secretary of  
21          Finance upon the approval of the Council. The Secretary of Finance shall not

1 make or refuse to make any disbursement allowable under this subsection  
2 without the approval of the Council. The Secretary of Finance shall adhere to  
3 the Council's decisions regarding disbursement of monies from the Fund so  
4 long as a disbursement is a permissible expenditure.

5 (f) Expenditures Supplementary. Monies expended from the Fund for the  
6 purposes set forth in this Act shall be supplemental to, and shall not supplant or  
7 take the place of, any other funds, including insurance benefits or local, state,  
8 or federal funding, that would otherwise have been expended for such purposes.

9 (g) Investment. As directed by the Attorney General, the Secretary of  
10 Finance shall have the responsibility for the investment and reinvestment of  
11 monies in the Fund. On or before January 31 of each year, the Secretary of  
12 Finance shall issue a public report, free of charge and available online.

13 **§ 21112 Opioid Proceeds Council**

14 (a) Council established. There is established an Opioid Proceeds Council.

15 (b) Purpose. The purpose of the Proceeds Council is to ensure that proceeds  
16 received by the Commonwealth pursuant to this Act are allocated and spent on  
17 the Commonwealth's substance use disorder abatement, infrastructure,  
18 programs, services, supports, and resources for prevention, treatment, recovery,  
19 and harm reduction; and to ensure accountability and transparency in allocating  
20 monies for the Fund.

21 (c) Council Membership.

1 (1) The Council shall be composed of three (3) voting members. The  
2 Council may approve nonvoting members as needed.

3 (2) The Council voting members shall exist as follows:

4 (A) Chief Executive Officer of the Commonwealth Healthcare  
5 Corporation or designee;

6 (B) Attorney General or designee;

7 (C) Governor or designee.

8 (d) Council duties and powers.

9 (1) The Council shall have the following duties and powers:

10 (A) Recommend and approve policies and procedures for the  
11 administration of the Council and for the application, awarding, and  
12 disbursement of monies from the Fund, to be used for the purposes  
13 set forth in this Act;

14 (B) Recommend and approve goals, objectives, and their  
15 rationales, sustainability plans, and performance indicators relating  
16 to substance use disorder prevention, treatment, recovery, and harm  
17 reduction efforts;

18 (C) Approve awards of monies from the Fund exclusively for  
19 permissible expenditures set forth in this Act; and

20 (D) Approve suspension of allocation of monies from the Fund  
21 to recipients found by the Council to be substantially noncompliant

1 with Council policies and procedures, rules, or regulations of the  
2 Northern Mariana Islands; or to have used such awards for a purpose  
3 other than an approved purpose. The Council may resume approval  
4 of such allocations once the Council has determined the recipient  
5 has adequately remedied the cause of such suspension.

6 (2) Employ an executive director and staff to support the meetings and  
7 functions of the Council and direct the day-to-day activities.

8 (e) Council Meetings.

9 (1) The Council shall hold at least quarterly public meetings each year.  
10 A meeting may be called by the chair or by a majority of the Council's  
11 members. Members may attend meetings in person, remotely by  
12 audiovisual means, or, upon approval by the chair, by audio-only means;

13 (2) Meetings shall be publicized and held in a manner reasonably  
14 designed to facilitate in-person and live-stream attendance by residents  
15 throughout the Commonwealth. The Council shall function in a manner  
16 consistent with the Open Government Act, as amended and codified at 1  
17 CMC §§ 9901-9917 and with the federal Americans with Disabilities Act,  
18 as amended.

19 (f) Voting. For each meeting of the Council, a majority of the members  
20 shall constitute a quorum for the transaction of business. If there is a quorum,

1 then all actions of the Council shall be taken by an affirmative vote of a majority  
2 of the members present at the meeting.

3 (g) Compensation. Members may be reimbursed for actual and necessary  
4 expenses for travel to attend a Council meeting, which shall take place in the  
5 CNMI.

6 (h) Conflicts of interest. In compliance with the Government Ethics Code  
7 at 1 CMC §§ 8501-8577, the members must disclose to the Council, refrain  
8 from participating in discussions and recuse themselves from voting on any  
9 matter before the Council if members have a conflict of interest.

10 (i) Termination. The Council will terminate when all monies received  
11 pursuant to the Fund have been received and disbursed unless the Attorney  
12 General certifies that additional monies are anticipated.

13 **§ 21113. Court Order and Regulations.**

14 The Council shall disburse monies from the Fund in a manner  
15 consistent with the limitations on uses of litigation proceeds set forth in any  
16 controlling court order. The Attorney General shall promulgate regulations  
17 consistent with the controlling court order and this Act.

18 **§ 21114 Reporting.**

19 Not later than October 31 of each year, beginning one year after the initial  
20 deposit of proceeds into the Fund, the Council shall provide a written  
21 report to the Governor, Speaker of the House of Representatives, Senate

1 President, and Attorney General, detailing the Council's activities during  
2 the prior calendar year. The report shall be published on a website  
3 established by the Council.

4 **Section 3. Severability.** If any provision of this Act of application thereof to  
5 any circumstance is held invalid, the remaining provisions of this Act shall not be  
6 affected nor diminished.

7 **Section 4. Savings Clause.** This Act and any repealer contained herein  
8 shall not be construed as affecting any existing right acquired under contract or  
9 acquired under statutes repealed or under any rule, regulation, or order adopted  
10 under the statutes. Repealers contained in this Act shall not affect any proceeding  
11 instituted under or pursuant to prior law. The enactment of the Act shall not have  
12 the effect of terminating, or in any way modifying, any liability, civil or criminal,  
13 which shall already be in existence on the date this Act becomes effective.

14 **Section 5. Effective Date.** This Act shall be effective on upon approval of the  
15 Governor of the Northern Mariana Islands

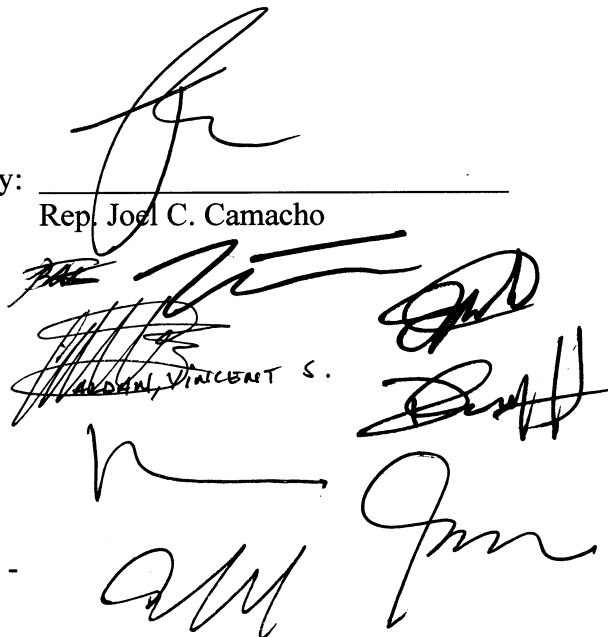
Prefiled: 9/27/2023

Date: \_\_\_\_\_

Introduced by: \_\_\_\_\_  
Rep. Joel C. Camacho

Reviewed for Legal Sufficiency by:

Shirley 9-27-23  
House Legal Counsel

  
Handwritten signatures of Rep. Joel C. Camacho and other representatives, including one that reads "VINCENT S." and another that reads "Jm".