

AMENDED IN SENATE APRIL 18, 2022

AMENDED IN SENATE MARCH 16, 2022

**SENATE BILL**

**No. 1282**

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**Introduced by Senator Bates**  
(Coauthors: Assembly Members Chen and Kiley)

February 18, 2022

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An act to add Division 10.85 (commencing with Section 11999.14) to the Health and Safety Code, relating to opioids.

LEGISLATIVE COUNSEL'S DIGEST

SB 1282, as amended, Bates. Opioid Master Settlement Agreement.

Existing law, the California Uniform Controlled Substances Act, classifies opioids as Schedule II controlled substances and imposes various restrictions on the prescription of those drugs. Existing law requires the State Department of Public Health, subject to an appropriation in the Budget Act of 2016, to award grant funding for naloxone, or another approved opioid antagonist, to local health departments, local government agencies, or other specified entities, in order to reduce the rate of fatal overdose from opioid drugs, including heroin and prescription opioids.

This bill would establish the California Opioid Settlement Fund in the State ~~Treasury~~, *Treasury* and would require the total amount of the state's share of funds received pursuant to the Master Settlement Agreement, defined to mean the National Opioid Settlement ~~Agreement~~ *agreement* announced on February 25, 2022, by the Attorney General of the State of California between California and other states and the leading United States opioid product manufacturers, to be deposited in the fund. The bill would require distribution of funds from the fund to be made by annual appropriation of the Legislature consistent with the

requirements of this bill, to the extent permissible under the terms of the Master Settlement Agreement, including a requirement that at least 60% of the funds appropriated be used to provide addiction-related services for people who are homeless or at risk of becoming homeless and priority shall be given to certain activities, including, among others, creating new, or expanding existing, substance use disorder treatment facilities.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature finds and declares that the availability of opioid settlement funds provided to the state and to local health departments represents a unique opportunity for significant investment in preventing and addressing addiction in California's homeless population.

SEC. 2. Division 10.85 (commencing with Section 11999.14) is added to the Health and Safety Code, to read:

DIVISION 10.85. OPIOID MASTER SETTLEMENT  
AGREEMENT

11999.14. (a) As used in this division, the following definitions apply:

(1) "Fund" means the California Opioid Settlement Fund.

(2) "Master Settlement Agreement" means the National Opioid Settlement ~~Agreement~~ *agreement* announced on February 25, 2022, by the Attorney General of the State of California between California and other states and the leading United States opioid product manufacturers, ~~Cardinal~~, *Cardinal Health*, McKesson, AmerisourceBergen, and Johnson & Johnson.

(3) "State's share of funds" means that portion of payments received from the Master Settlement Agreement designated for use by the state ~~and local jurisdictions~~ in California.

(b) Nothing in this division is intended to limit expenditures for programs to the amount provided by the fund.

11999.15. (a) The California Opioid Settlement Fund is hereby established in the State Treasury.

1 (b) The total amount of the state's share of funds received  
2 pursuant to the Master Settlement Agreement shall be deposited  
3 in the fund.

4 11999.16. (a) Distribution of funds from the fund shall be  
5 made by annual appropriation of the Legislature consistent with  
6 the requirements of this division to the extent permissible under  
7 the terms of the Master Settlement Agreement.

8 (b) At least 60 percent of the funds appropriated from the fund  
9 shall be used to provide addiction-related services for people who  
10 are homeless or at risk of becoming homeless.

11 (c) No more than 10 percent of all funds appropriated from the  
12 fund each year may be used on mass media campaigns.

13 (d) Priority shall be given to appropriations of funds from the  
14 fund for all of the following activities:

15 (1) Create new, or expand existing, substance use disorder  
16 treatment facilities within the Behavioral Health Continuum  
17 Infrastructure Program.

18 (2) Operate substance use disorder treatment facilities.

19 (3) Divert people with opioid addiction from the justice system  
20 directly into addiction-specialized treatment.

21 (4) Provide and fund training and resources to first and early  
22 responders encountering opioid-related emergencies.

23 (5) Secure and fund housing for at-risk-of-addiction foster youth.

24 (6) Secure and fund wraparound treatment costs within homeless  
25 housing programs for individuals who are experiencing  
26 homelessness and addiction to opioids or are at risk of addiction  
27 to opioids.

28 (7) Expand programs that treat people simultaneously  
29 experiencing homelessness and opioid addiction, including  
30 programs that insist on sobriety as a condition of participation.

31 (8) Increase school-based interventions to prevent drug addiction  
32 in vulnerable and at-risk-of-addiction youth.