



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 993 (as reported without amendment)
Senate Bill 994 (Substitute S-1 as reported)
Senate Bill 995 (as reported without amendment)
Sponsor: Senator Michael D. MacDonald (S.B. 993)
Senator Mark Huizenga (S.B. 994)
Senator Betty Jean Alexander (S.B. 995)
Committee: Health Policy and Human Services

CONTENT

Senate Bill 993 would amend the Michigan Trust Fund Act to create the Michigan Opioid Healing and Recovery Fund within the Department of Treasury and to require the State Treasurer to deposit into the Fund all proceeds received by the State as a result of a judgment or settlement pertaining to violations, or alleged violations, of law pertaining to the manufacture, marketing, and distribution of opioids.

Senate Bill 994 (S-1) would add Chapter 8A (Opioid Advisory Commission) to the Legislative Council Act to create the Opioid Advisory Commission within the Legislative Council and to prescribe its membership. The Commission, among other things, would have to review local, State, and Federal initiatives related to education, prevention, treatment, and services for individuals and families affected by substance abuse disorders and co-occurring mental health conditions. The Commission also would have to provide, by March 30 of each year, a report to the Governor, the Attorney General, the Senate Majority Leader, the Speaker of the House of Representatives, and the chairs of the House and Senate Appropriations Committees including the information specified in the bill.

Senate Bill 995 would enact the "Opioid Liability Litigation Act" to prohibit a political subdivision of the State from commencing or maintaining legal actions against specified entities related to opioid settlements.

Senate Bills 994 (S-1) and 995 are tie-barred to Senate Bill 993.

MCL 12.252 et al. (S.B. 993)
Proposed MCL 4.1850 & 4.1851 (S.B. 994)

Legislative Analyst: Stephen P. Jackson

FISCAL IMPACT

Senate Bill 993 would have a minimal fiscal impact on the State and no fiscal impact on local units of government. The Department of Treasury would experience minor administrative costs to create and administer the Michigan Opioid Healing and Recovery Fund. The costs would be minimal and within current appropriations.

The Department of the Attorney General could receive additional appropriations from the Fund to support costs and reasonable attorney fees incurred in pursuit of opioid judgments, settlements, or compromise of claims. The amount of funding that could be provided to the Department of the Attorney General from the Fund would be subject to appropriations.

Senate Bill 994 (S-1) would have an indeterminate fiscal impact on the Legislative Council. The bill would create the Opioid Advisory Commission within the Legislative Council. A Council member would not receive a salary but would be eligible for reimbursement for necessary expenses incurred in the performance of his or her duties. The cost for reimbursing members for necessary expenses (based on other similar commissions and committees) would average less than \$50,000 annually.

Senate Bill 995 would have no immediate fiscal impact on State or local government. The settlement agreements, and the formulas for determining State shares of settlement payments that will continue for the next 18 years, can be found on the National Opioid Settlement website.¹ These formulas include base-level and incentive-level payments to states and local governments. The incentives are achieved by making efforts to end litigation and prohibit future claims. Enacting the bill would allow the State and local governments that have settled to receive full incentives under the settlement payment plans.

Date Completed: 4-18-22

Fiscal Analyst: Ryan Bergan
Joe Carrasco, Jr.
Cory Savino, PhD
Michael Siracuse

¹ "National Opioid Settlement", www.nationalopioidsettlement.com. Retrieved on 4-12-22.