

SENATE BILL NO. 275—SENATOR SEGERBLOM

MARCH 13, 2015

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions governing certain alcohol and drug abuse programs. (BDR 16-39)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Contains Appropriation not included
in Executive Budget.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to public safety; creating the Account for the Treatment of Substance Abusers; providing that money in the Account must be distributed for programs relating to the treatment of certain offenders who are abusers of alcohol or drugs; requiring the appointment of a Deputy Director for Substance Abuser Programs within the Department of Corrections; increasing the taxes imposed on intoxicating liquor, cigarettes and gaming; requiring the Division of Public and Behavioral Health of the Department of Health and Human Services to establish a pilot program for the treatment of certain heroin-dependent persons; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law requires the Director of the Department of Corrections, in
2 conjunction with the Division of Public and Behavioral Health of the Department
3 of Health and Human Services and the Board of State Prison Commissioners, to
4 establish one or more therapeutic communities, and programs of aftercare, to
5 determine whether an offender is a substance abuser and to provide treatment.
6 (NRS 209.4236-209.4238) Existing law also requires the Director, with approval of
7 the Board, to establish a program for the treatment of an abuser of alcohol or drugs
8 who is imprisoned for certain offenses related to driving under the influence of an
9 intoxicating liquor or controlled substance. (NRS 209.425) Finally, existing law
10 requires the Director to assign certain offenders who are abusers of alcohol or drugs
11 to a term of residential confinement. (NRS 209.429)



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12 **Section 2** of this bill creates the Account for the Treatment of Substance
13 Abusers in the State General Fund. The Account is to be administered by the
14 Director of the Department of Corrections and money from which is to be used
15 only for programs for the treatment of certain offenders who are abusers of alcohol
16 or drugs. **Section 4** of this bill requires the Director to appoint a Deputy Director
17 for Substance Abuser Programs to oversee programs governing the treatment of
18 offenders who are abusers of alcohol or drugs.

19 Existing law imposes a tax on intoxicating liquor in this State at a variable rate
20 which depends upon the form and alcohol content of the liquor. (NRS 369.330)
21 **Section 6** of this bill increases the tax on: (1) malt beverages from 16 cents to 24
22 cents per gallon; (2) liquor containing 14 percent or less of alcohol from 70 cents to
23 \$1.05 per gallon; (3) liquor containing more than 14 percent and not more than 22
24 percent of alcohol from \$1.30 to \$1.95 per gallon; and (4) liquor containing more
25 than 22 percent of alcohol from \$3.60 to \$5.40 per gallon. **Section 5** of this bill
26 accordingly maintains the current portion of the proceeds of the tax on liquor
27 containing more than 22 percent of alcohol which is deposited in the Tax on Liquor
28 Program Account in the State General Fund.

29 Existing law imposes a tax on cigarettes at the rate of 80 cents per pack. (NRS
30 370.165, 370.350) **Sections 7 and 9** of this bill increase that rate to \$1.40 per pack.
31 **Section 8** of this bill provides that the money collected from the increase in the
32 cigarette tax must be credited to the Account for the Treatment of Substance
33 Abusers.

34 Existing law requires the Nevada Gaming Commission to charge and collect a
35 license fee charged to a gaming licensee based upon all the gross revenue of the
36 licensee. (NRS 463.370) **Section 10** of this bill increases the license fee by one-
37 quarter of 1 percent.

38 **Sections 11-20** of this bill require the Division of Public and Behavioral Health
39 of the Department of Health and Human Services to establish a 4-year pilot
40 program for heroin-assisted treatment. The pilot program must provide treatment to
41 certain heroin-dependent persons who are identified, based on the best available
42 evidence, for treatment and continuity of care. The Division is also required to
43 submit: (1) a report to the Legislature if the pilot program is not operational before
44 January 1, 2017; and (2) a report to the Legislature detailing its findings and
45 recommendations on January 1, 2021.

46 **Section 21** of this bill makes an appropriation of \$65,000,000 each year of the
47 biennium to the Account for the Treatment of Substance Abusers. **Section 22** of
48 this bill makes an appropriation of \$10,000,000 each year of the biennium to fund
49 the pilot program for heroin-assisted treatment.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 209 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 and 3 of this act.

3 **Sec. 2. 1. *The Account for the Treatment of Substance***
4 ***Abusers is hereby created in the State General Fund. The Director***
5 ***shall administer the Account.***

6 ***2. Money in the Account that is received pursuant to NRS***
7 ***370.260 or section 3 of this act or by direct legislative***
8 ***appropriation from the State General Fund must only be used to***



1 *fund the treatment of abusers of alcohol or drugs pursuant to NRS*
2 *209.4231 to 209.429, inclusive.*

3 *3. The money in the Account does not revert to the State*
4 *General Fund at the end of a fiscal year. The interest and income*
5 *earned on the money in the Account, after deducting any*
6 *applicable charges, must be credited to the Account.*

7 *4. All claims against the Account must be approved by the*
8 *Director before they are paid.*

9 **Sec. 3. The Department may:**

10 *1. Accept money appropriated and made available by any act*
11 *of Congress for any program for the treatment of abusers of*
12 *alcohol or drugs administered by the Department.*

13 *2. Accept money appropriated and made available by the*
14 *State or by a county, a city, a public district or any political*
15 *subdivision of this State for any program for the treatment of*
16 *abusers of alcohol or drugs administered by the Department.*

17 *3. Apply for and accept any gift, donation, bequest, grant or*
18 *other source of money.*

19 **Sec. 4. NRS 209.151 is hereby amended to read as follows:**

20 209.151 1. The Director shall appoint a Deputy Director for
21 Industrial Programs who:

22 (a) Is responsible to the Director for the administration of all
23 industrial, vocational and agricultural programs for the employment
24 of offenders, except conservation camps and centers for the purpose
25 of making restitution; and

26 (b) Shall enforce all policies and regulations of the Department
27 relating to industrial, vocational and agricultural programs.

28 *2. The Director shall appoint a Deputy Director for*
29 *Substance Abuser Programs who:*

30 *(a) Is responsible to the Director for the administration of*
31 *programs for the treatment of abusers of alcohol or drugs*
32 *pursuant to NRS 209.4231 to 209.429, inclusive.*

33 *(b) Shall enforce all policies and regulations of the*
34 *Department relating to the treatment of abusers of alcohol or*
35 *drugs.*

36 *3. In addition to the Deputy ~~Director~~ Directors appointed*
37 *pursuant to subsection 1 ~~H~~ or 2, the Director shall appoint such*
38 *other deputy directors as are necessary.*

39 ~~3~~ *4. During any absence of the Director, the Director shall*
40 *designate a deputy director or a warden to act as Director of the*
41 *Department without increase in salary.*

42 ~~4~~ *5. The deputy directors shall carry out such administrative*
43 *duties as may be assigned to them by the Director and shall not*
44 *engage in any other gainful employment or occupation.*



1 **Sec. 5.** NRS 369.174 is hereby amended to read as follows:
2 369.174 Each month, the State Controller shall transfer to the
3 Tax on Liquor Program Account in the State General Fund, from the
4 tax on liquor containing more than 22 percent of alcohol by volume,
5 the portion of the tax which exceeds ~~§3.45~~ **§5.25** per wine gallon.

6 **Sec. 6.** NRS 369.330 is hereby amended to read as follows:
7 369.330 Except as otherwise provided in this chapter, an excise
8 tax is hereby levied and must be collected respecting all liquor and
9 upon the privilege of importing, possessing, storing or selling liquor,
10 according to the following rates and classifications:

11 1. On liquor containing more than 22 percent of alcohol by
12 volume, ~~§3.60~~ **§5.40** per wine gallon or proportionate part thereof.

13 2. On liquor containing more than 14 percent up to and
14 including 22 percent of alcohol by volume, ~~§1.30~~ **§1.95** per wine
15 gallon or proportionate part thereof.

16 3. On liquor containing from one-half of 1 percent up to and
17 including 14 percent of alcohol by volume, ~~70-cents~~ **§1.05** per
18 wine gallon or proportionate part thereof.

19 4. On all malt beverage liquor brewed or fermented and bottled
20 in or outside this state, ~~16~~ **24** cents per gallon.

21 **Sec. 7.** NRS 370.165 is hereby amended to read as follows:
22 370.165 There is hereby levied a tax upon the purchase or
23 possession of cigarettes by a consumer in the State of Nevada at the
24 rate of ~~40~~ **70** mills per cigarette. The tax may be represented and
25 precollected by the affixing of a revenue stamp or other approved
26 evidence of payment to each package, packet or container in which
27 cigarettes are sold. The tax must be precollected by the wholesale or
28 retail dealer, and must be recovered from the consumer by adding
29 the amount of the tax to the selling price. Each person who sells
30 cigarettes at retail shall prominently display on the premises a notice
31 that the tax is included in the selling price and is payable under the
32 provisions of this chapter.

33 **Sec. 8.** NRS 370.260 is hereby amended to read as follows:
34 370.260 1. All taxes and license fees imposed by the
35 provisions of NRS 370.001 to 370.430, inclusive, less any refunds
36 granted as provided by law, must be paid to the Department in the
37 form of remittances payable to the Department.

38 2. The Department shall:
39 (a) As compensation to the State for the costs of collecting the
40 taxes and license fees, transmit each month the sum the Legislature
41 specifies from the remittances made to it pursuant to subsection 1
42 during the preceding month to the State Treasurer for deposit to the
43 credit of the Department. The deposited money must be expended
44 by the Department in accordance with its work program.



1 (b) From the remittances made to it pursuant to subsection 1
2 during the preceding month, less the amount transmitted pursuant to
3 paragraph (a), transmit each month the portion of the tax which is
4 equivalent to ~~35~~ :

5 (1) *Thirty-five* mills per cigarette to the State Treasurer for
6 deposit to the credit of the Account for the Tax on Cigarettes in the
7 State General Fund.

8 (2) *Thirty mills per cigarette to the State Treasurer for*
9 *deposit to the credit of the Account for the Treatment of Substance*
10 *Abusers created by section 2 of this act.*

11 (c) Transmit the balance of the payments each month to the
12 State Treasurer for deposit in the Local Government Tax
13 Distribution Account created by NRS 360.660.

14 (d) Report to the State Controller monthly the amount of
15 collections.

16 3. The money deposited pursuant to paragraph (c) of
17 subsection 2 in the Local Government Tax Distribution Account is
18 hereby appropriated to Carson City and to each of the counties in
19 proportion to their respective populations and must be credited to
20 the respective accounts of Carson City and each county.

21 **Sec. 9.** NRS 370.350 is hereby amended to read as follows:

22 370.350 1. Except as otherwise provided in subsection 3, a
23 tax is hereby levied and imposed upon the use of cigarettes in this
24 state.

25 2. The amount of the use tax is ~~40~~ 70 mills per cigarette.

26 3. The use tax does not apply where:

27 (a) Nevada cigarette revenue stamps have been affixed to
28 cigarette packages as required by law.

29 (b) Tax exemption is provided for in this chapter.

30 **Sec. 10.** NRS 463.370 is hereby amended to read as follows:

31 463.370 1. Except as otherwise provided in NRS 463.373,
32 the Commission shall charge and collect from each licensee a
33 license fee based upon all the gross revenue of the licensee as
34 follows:

35 (a) Three and ~~one-half~~ *three-quarters* percent of all the gross
36 revenue of the licensee which does not exceed \$50,000 per calendar
37 month;

38 (b) Four and ~~one-half~~ *three-quarters* percent of all the gross
39 revenue of the licensee which exceeds \$50,000 per calendar month
40 and does not exceed \$134,000 per calendar month; and

41 (c) ~~Six and three-quarters~~ *Seven* percent of all the gross
42 revenue of the licensee which exceeds \$134,000 per calendar month.

43 2. Unless the licensee has been operating for less than a full
44 calendar month, the Commission shall charge and collect the fee
45 prescribed in subsection 1, based upon the gross revenue for the



1 preceding calendar month, on or before the 15th day of the
2 following month. Except for the fee based on the first full month of
3 operation, the fee is an estimated payment of the license fee for the
4 third month following the month whose gross revenue is used as its
5 basis.

6 3. When a licensee has been operating for less than a full
7 calendar month, the Commission shall charge and collect the fee
8 prescribed in subsection 1, based on the gross revenue received
9 during that month, on or before the 15th day of the following
10 calendar month of operation. After the first full calendar month of
11 operation, the Commission shall charge and collect the fee based on
12 the gross revenue received during that month, on or before the 15th
13 day of the following calendar month. The payment of the fee due for
14 the first full calendar month of operation must be accompanied by
15 the payment of a fee equal to three times the fee for the first full
16 calendar month. This additional amount is an estimated payment of
17 the license fees for the next 3 calendar months. Thereafter, each
18 license fee must be paid in the manner described in subsection 2.
19 Any deposit held by the Commission on July 1, 1969, must be
20 treated as an advance estimated payment.

21 4. All revenue received from any game or gaming device
22 which is operated on the premises of a licensee, regardless of
23 whether any portion of the revenue is shared with any other person,
24 must be attributed to the licensee for the purposes of this section and
25 counted as part of the gross revenue of the licensee. Any other
26 person, including, without limitation, an operator of an inter-casino
27 linked system, who is authorized to receive a share of the revenue
28 from any game, gaming device or inter-casino linked system that is
29 operated on the premises of a licensee is liable to the licensee for
30 that person's proportionate share of the license fees paid by the
31 licensee pursuant to this section and shall remit or credit the full
32 proportionate share to the licensee on or before the 15th day of each
33 calendar month. The proportionate share of an operator of an inter-
34 casino linked system must be based on all compensation and other
35 consideration received by the operator of the inter-casino linked
36 system, including, without limitation, amounts that accrue to the
37 meter of the primary progressive jackpot of the inter-casino linked
38 system and amounts that fund the reserves of such a jackpot, subject
39 to all appropriate adjustments for deductions, credits, offsets and
40 exclusions that the licensee is entitled to take or receive pursuant to
41 the provisions of this chapter. A licensee is not liable to any other
42 person authorized to receive a share of the licensee's revenue from
43 any game, gaming device or inter-casino linked system that is
44 operated on the premises of the licensee for that person's



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1 proportionate share of the license fees to be remitted or credited to
2 the licensee by that person pursuant to this section.

3 5. An operator of an inter-casino linked system shall not enter
4 into any agreement or arrangement with a licensee that provides for
5 the operator of the inter-casino linked system to be liable to the
6 licensee for less than its full proportionate share of the license fees
7 paid by the licensee pursuant to this section, whether accomplished
8 through a rebate, refund, charge-back or otherwise.

9 6. Any person required to pay a fee pursuant to this section
10 shall file with the Commission, on or before the 15th day of each
11 calendar month, a report showing the amount of all gross revenue
12 received during the preceding calendar month. Each report must be
13 accompanied by:

14 (a) The fee due based on the revenue of the month covered by
15 the report; and

16 (b) An adjustment for the difference between the estimated fee
17 previously paid for the month covered by the report, if any, and
18 the fee due for the actual gross revenue earned in that month. If the
19 adjustment is less than zero, a credit must be applied to the
20 estimated fee due with that report.

21 7. If the amount of license fees required to be reported and paid
22 pursuant to this section is later determined to be greater or less than
23 the amount actually reported and paid, the Commission shall:

24 (a) Charge and collect the additional license fees determined to
25 be due, with interest thereon until paid; or

26 (b) Refund any overpayment to the person entitled thereto
27 pursuant to this chapter, with interest thereon.

28 Interest pursuant to paragraph (a) must be computed at the rate
29 prescribed in NRS 17.130 from the first day of the first month
30 following the due date of the additional license fees until paid.
31 Interest pursuant to paragraph (b) must be computed at one-half the
32 rate prescribed in NRS 17.130 from the first day of the first month
33 following the date of overpayment until paid.

34 8. Failure to pay the fees provided for in this section shall be
35 deemed a surrender of the license at the expiration of the period for
36 which the estimated payment of fees has been made, as established
37 in subsection 2.

38 9. Except as otherwise provided in NRS 463.386, the amount
39 of the fee prescribed in subsection 1 must not be prorated.

40 10. Except as otherwise provided in NRS 463.386, if a licensee
41 ceases operation, the Commission shall:

42 (a) Charge and collect the additional license fees determined to
43 be due with interest computed pursuant to paragraph (a) of
44 subsection 7; or



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1 (b) Refund any overpayment to the licensee with interest
2 computed pursuant to paragraph (b) of subsection 7,
3 ➔ based upon the gross revenue of the licensee during the last 3
4 months immediately preceding the cessation of operation, or
5 portions of those last 3 months.

6 11. If in any month, the amount of gross revenue is less than
7 zero, the licensee may offset the loss against gross revenue in
8 succeeding months until the loss has been fully offset.

9 12. If in any month, the amount of the license fee due is less
10 than zero, the licensee is entitled to receive a credit against any
11 license fees due in succeeding months until the credit has been fully
12 offset.

13 **Sec. 11.** 1. The Legislature declares that it is the purpose of
14 sections 11 to 20, inclusive, of this act to permit, fund and
15 implement a 4-year pilot project which will research and evaluate
16 the effectiveness and potential benefits of heroin-assisted treatment
17 for persons with long-term heroin addiction.

18 2. Evaluations of heroin-assisted treatment in other countries
19 have demonstrated that it is a highly cost-effective intervention that
20 dramatically reduces illicit drug use, crime, disease and overdose
21 while improving health, well-being, social reintegration and
22 treatment retention among heroin-dependent persons who failed
23 prior treatment. Every clinical trial of heroin-assisted treatment
24 conducted to date has demonstrated a marked decrease in illicit
25 heroin use among participants. Results of the Canadian trials,
26 published in the *New England Journal of Medicine*, for example,
27 showed a 67 percent reduction in illicit drug use or other illegal
28 activity among participants in heroin-assisted treatment. Similarly,
29 large reductions in illicit heroin use have been found in heroin-
30 assisted treatment trials in other countries, including the United
31 Kingdom which showed a 72 percent reduction as reported in *The*
32 *Lancet*, and Germany which showed a 69 percent reduction as
33 reported in the *British Journal of Psychiatry*. Retention rates in
34 heroin-assisted treatment programs dwarf those of conventional
35 treatments. Further, because participants in heroin-assisted treatment
36 programs are much less likely to commit acquisitive crimes and
37 other offenses not including drugs, such programs have also been
38 shown to decrease crime in areas where they are situated, which also
39 leads to cost savings.

40 3. The Nevada heroin-assisted treatment pilot project must
41 accordingly be:

42 (a) Modeled on successful clinical trials and treatment programs
43 in Switzerland, the Netherlands, the United Kingdom, Spain,
44 Denmark, Germany, Belgium, Luxembourg and Canada; and



1 (b) Appropriately tailored to best improve the safety, health and
2 well-being of residents of this State.

3 **Sec. 12.** As used in sections 11 to 20, inclusive, of this act,
4 unless the context otherwise requires, the words and terms defined
5 in sections 13 to 17, inclusive, of this act have the meanings
6 ascribed to them in those sections.

7 **Sec. 13.** "Division" means the Division of Public and
8 Behavioral Health of the Department of Health and Human
9 Services.

10 **Sec. 14.** "Heroin-assisted treatment" means the administering
11 or dispensing of pharmaceutical-grade heroin by medical
12 practitioners to select heroin-dependent persons.

13 **Sec. 15.** "Heroin-dependent" has the meaning ascribed to the
14 term "opioid dependence" in the *Diagnostic and Statistical Manual*
15 *of Mental Disorders*, 4th Edition, published by the American
16 Psychiatric Association, and includes a maladaptive pattern of
17 substance use leading to clinically significant impairment or distress
18 and a combination of several of the following signs and symptoms:

- 19 1. Increasing drug tolerance.
- 20 2. Withdrawal signs and symptoms.
- 21 3. A desire or unsuccessful efforts to cut down or control
22 substance use.
- 23 4. Loss of social, occupational or recreational activities
24 because of substance use.
- 25 5. Continuing substance use despite consequences.

26 **Sec. 16.** "Pharmaceutical-grade heroin" means diacetylmorphine
27 or its equivalent.

28 **Sec. 17.** "Pilot project" means the heroin-assisted treatment
29 pilot project developed pursuant to section 18 of this act.

30 **Sec. 18.** 1. The Division, with input and assistance from any
31 other agency of this State or a local government, or any other party
32 where appropriate, shall:

- 33 (a) Develop and implement a 4-year pilot project.
- 34 (b) Before July 1, 2016, conduct research and due diligence and
35 adopt any necessary rules, regulations, guidelines or protocols to
36 carry out the pilot project, including, without limitation:
 - 37 (1) Ascertaining numbers, trends, patterns, risk factors and
38 demographic data related to heroin dependence within this State.
 - 39 (2) Reviewing the heroin-assisted treatment studies and
40 programs implemented in other countries and determining best
41 practices.
 - 42 (3) Conducting a study to determine the appropriate location
43 of the pilot project within this State. In determining such location,
44 the Division shall take into consideration the population to be
45 served, the accessibility of the location and the nuisance concerns of
46 the community.



1 (4) Establishing participant screening and eligibility criteria
2 based on the best available evidence.

3 (5) Developing an effective recruitment strategy for
4 participants in the pilot project.

5 (6) Establishing assessment and treatment protocols based on
6 the best available evidence.

7 (7) Establishing best clinical practices, based on the best
8 available evidence, for continuity of care as well as acute care for
9 unmet or urgent medical and psychiatric needs of a participant in the
10 pilot project.

11 (8) Coordinating with the Federal Government as may be
12 necessary to obtain pharmaceutical-grade heroin for the pilot project
13 or, to the extent the Division is unable to obtain pharmaceutical-
14 grade heroin in coordination with the Federal Government,
15 conducting an inventory of available sources of pharmaceutical-
16 grade heroin and contracting with the best available source for the
17 receipt of pharmaceutical-grade heroin for use in the pilot project.

18 (9) Developing a broad-based evaluation, based on the best
19 available evidence, that measures impacts on a number of different
20 outcomes, including, without limitation, retention in treatment,
21 morbidity and mortality, continuing or new illicit drug use, costs,
22 property and other crime and societal outcomes, including a
23 comparison to other treatment methods and criminal interventions
24 such as drug courts, as well as developing data collection
25 procedures.

26 (c) Employ or contract with such personnel as may be necessary
27 to carry out the pilot project.

28 2. The Division may develop:

29 (a) Registration requirements and procedures for medical
30 practitioners who will dispense pharmaceutical-grade heroin or
31 conduct research with respect to pharmaceutical-grade heroin.

32 (b) Requirements, based on the best available evidence and
33 practices, for the storage and administration of pharmaceutical-
34 grade heroin.

35 3. The pilot project must be operational and patients must be
36 receiving heroin-assisted treatment on or before January 1, 2017.

37 4. If the pilot project is not operational on or before January 1,
38 2017, the Division shall submit a report to the Director of the
39 Legislative Counsel Bureau for distribution to the Legislative
40 Commission within 30 days. The report must outline the barriers to
41 implementation of the pilot project and the proposed steps for
42 implementation. Thereafter, the Division shall submit a report to the
43 Director every 6 months until the pilot project is operational.

44 5. In addition to any other reports required pursuant to sections
45 11 to 20, inclusive, of this act, the Division shall publish publicly



1 available annual reports and a publicly available evaluation at the
2 conclusion of the pilot project.

3 6. The pilot project must be implemented and operated in
4 accordance with the provisions of sections 11 to 20, inclusive, of
5 this act, notwithstanding any other provision of law or regulation.

6 7. A state or local governmental agency shall not develop rules,
7 regulations or protocols that undermine the implementation or
8 operation of the pilot project.

9 **Sec. 19.** 1. Every practitioner who dispenses pharmaceutical-
10 grade heroin or conducts research with respect to pharmaceutical-
11 grade heroin as part of the pilot project is exempt from the
12 registration requirements and other requirements for registrants
13 pursuant to NRS 453.221 to 453.257, inclusive, and any related
14 rules, regulations or protocols.

15 2. The pilot project is exempt from the administrative
16 inspections and injunctions authorized pursuant to NRS 453.261 to
17 453.286, inclusive.

18 3. Notwithstanding any other provision of law:

19 (a) Any actions or conduct by a person that is permitted by the
20 pilot project must not be a basis for the seizure or forfeiture of any
21 products, materials, equipment, property or assets under state or
22 local law.

23 (b) A state or local criminal, civil or administrative penalty must
24 not be imposed on any person solely for actions or conduct
25 permitted pursuant to the pilot project.

26 **Sec. 20.** The Division shall, on or before January 1, 2021,
27 submit a written report to the Director of the Legislative Counsel
28 Bureau for distribution to the next regular session of the Legislature
29 that includes, without limitation:

30 1. An analysis of the pilot project evaluation data.

31 2. A determination whether the pilot project directly results in
32 health risks which outweigh the benefits to the participants in the
33 pilot project or significant safety consequences to the public.

34 3. An assessment of the statewide need for heroin-assisted
35 treatment.

36 4. Any recommendations and conclusions concerning the
37 desirability of transitioning the pilot program into a permanent
38 heroin-assisted treatment program.

39 5. An evaluation of the need to expand the pilot project
40 locations or to additional eligible participants.

41 6. A determination whether any modifications or additions to
42 the rules, regulations, guidelines or protocols governing the pilot
43 project are necessary to transition the pilot project into a permanent
44 heroin-assisted treatment program.

45 7. A recommendation as to whether patients who have
46 benefited from participation in the pilot program, as medically



1 determined by a physician, should have compassionate access to
2 heroin-assisted treatment following the conclusion of the pilot
3 project.

4 **Sec. 21.** 1. There is hereby appropriated from the State
5 General Fund to the Account for the Treatment of Substance
6 Abusers created by section 2 of this act:

7	For the Fiscal Year 2015-2016	\$65,000,000
8	For the Fiscal Year 2016-2017	\$65,000,000

9 2. The sums appropriated by subsection 1 are available for
10 either fiscal year. Any remaining balance of those sums must not be
11 committed for expenditure after June 30, 2017, by the entity to
12 which the appropriation is made or any entity to which money from
13 the appropriation is granted or otherwise transferred in any manner,
14 and any portion of the appropriated money remaining must not be
15 spent for any purpose after September 15, 2017, by either the entity
16 to which the money was appropriated or the entity to which the
17 money was subsequently granted or transferred, and must be
18 reverted to the State General Fund on or before September 15, 2017.

19 **Sec. 22.** 1. There is hereby appropriated from the State
20 General Fund to the Division of Public and Behavioral Health of the
21 Department of Health and Human Services for the treatment of
22 persons who are committed to the heroin-assisted treatment pilot
23 program pursuant to sections 11 to 20, inclusive, of this act:

24	For the Fiscal Year 2015-2016	\$10,000,000
25	For the Fiscal Year 2016-2017	\$10,000,000

26 2. The sums appropriated by subsection 1 are available for
27 either fiscal year. Any remaining balance of those sums must not be
28 committed for expenditure after June 30, 2021, by the entity to
29 which the appropriation is made or any entity to which money from
30 the appropriation is granted or otherwise transferred in any manner,
31 and any portion of the appropriated money remaining must not be
32 spent for any purpose after September 17, 2021, by either the entity
33 to which the money was appropriated or the entity to which the
34 money was subsequently granted or transferred, and must be
35 reverted to the State General Fund on or before September 17, 2021.

36 **Sec. 23.** 1. This act becomes effective upon passage and
37 approval for the purposes of adopting regulations, entering into
38 contracts for the provision of services and taking any other
39 preparatory actions to carry out the provisions of this act, and on
40 July 1, 2015, for all other purposes.

41 2. Sections 11 to 20, inclusive, of this act expire by limitation
42 on June 30, 2021.

