

Opioid Settlement Fund, Appropriation Bill Senate File 624

Last Action:
Senate Appropriations
Committee
April 15, 2025

An Act relating to the Opioid Settlement Fund, making appropriations, and including effective date provisions.

**Fiscal Services Division
Legislative Services Agency**

NOTES ON BILLS AND AMENDMENTS (NOBA)

Available online at www.legis.iowa.gov/publications/information/appropriationBillAnalysis

LSA Staff Contact: Louie Hoehle (515.281.6561)

NEW PROGRAMS, SERVICES, OR ACTIVITIES

Requires the Department of Health and Human Services (HHS) and the Office of the Attorney General (AG's Office) to submit annual legislation containing recommended appropriations from the Opioid Settlement Fund for the upcoming fiscal year, considering recommendations from each District Behavioral Health Advisory Council. Requires the proposed legislation to provide that 75.00% and 25.00% of the unencumbered and unobligated moneys in the Fund be appropriated to the HHS and the AG's Office, respectively, to be disbursed in accordance with the requirements of the master settlement agreements, the Act in which the moneys are appropriated, and Iowa Code section [12.51](#) (Opioid Settlement Fund). Requires the moneys disbursed by the HHS and the AG's Office to be accompanied by a statement on any printed or marketing materials that the funding is a one-time allocation from the Fund.

Page 1, Line 11

SUPPLEMENTAL APPROPRIATIONS

Authorizes the following supplemental appropriations from the Opioid Settlement Fund to the HHS in FY 2025:

Page 2, Line 7

- \$12.0 million to the HHS to provide grants to a nonprofit organization to be used for renovation and expansion of a nature-based recovery campus.
- \$30.0 million to the HHS to abate the opioid crisis.

STUDIES AND INTENT

Nonreversion

Allows any unexpended funds appropriated from the Opioid Settlement Fund to the HHS for the purposes described in the Bill to remain available until the close of FY 2026.

Page 2, Line 30

Required Report

Requires the HHS and the AG's Office to submit a report jointly or individually by January 1 of each year beginning in 2027 to the General Assembly detailing the disbursements from the Opioid Settlement Fund in the immediately preceding fiscal year and, if applicable, the impact of the disbursements on Iowans.

Page 2, Line 1

EFFECTIVE DATE

Specifies that the Bill takes effect upon enactment.

Page 2, Line 35

Senate File 624 provides for the following changes to the Code of Iowa.

Page #	Line #	Bill Section	Action	Code Section
1	1	1	Amend	12.51.2

1 1 Section 1. Section 12.51, subsection 2, Code 2025, is
 1 2 amended to read as follows:
 1 3 2. a. Moneys in the fund shall not be transferred, used,
 1 4 obligated, appropriated, or otherwise encumbered except as
 1 5 provided in this section. Moneys in the fund shall only be
 1 6 used pursuant to appropriations from the fund by the general
 1 7 assembly for purposes of abating the opioid crisis in this
 1 8 state, which may include but are not limited to the purposes
 1 9 specified in section 135.190A for moneys in the opioid
 1 10 antagonist medication fund.

1 11 b. (1) Annually, the department of health and human
 1 12 services and the office of the attorney general shall each
 1 13 submit a proposed legislative bill pursuant to section 2.16,
 1 14 subsection 2, containing recommended appropriations from the
 1 15 fund to the respective entity for the upcoming fiscal year. To
 1 16 ensure equitable statewide services, the department of health
 1 17 and human services and the attorney general shall consider
 1 18 the recommendations for the proposed legislative bill from
 1 19 each district behavioral health advisory council established
 1 20 pursuant to 2024 Iowa Acts, ch.1161, §5. The proposed
 1 21 legislative bills must provide that seventy-five percent
 1 22 of the unencumbered and unobligated moneys in the fund are
 1 23 appropriated to the department of health and human services,
 1 24 and twenty-five percent of the unencumbered and unobligated
 1 25 moneys in the fund are appropriated to the office of the
 1 26 attorney general. The department of health and human services
 1 27 and the office of the attorney general shall disburse moneys
 1 28 appropriated from the fund in accordance with the requirements
 1 29 of the master settlement agreements, the Act in which the
 1 30 moneys are appropriated, and this section. The moneys
 1 31 disbursed by the department of health and human services and
 1 32 the office of the attorney general pursuant to an appropriation
 1 33 from the fund shall be accompanied by a statement on any
 1 34 printed or marketing materials that the funding is a one-time
 1 35 allocation from the opioid settlement fund.

CODE: Requires the Department of Health and Human Services (HHS) and the Office of the Attorney General (AG's Office) to submit annual legislation containing recommended appropriations from the Opioid Settlement Fund for the upcoming fiscal year. Requires the HHS and the AG's Office to consider the recommendations for the proposed legislation from each District Behavioral Health Advisory Council established in 2024 Iowa Acts, [House File 2673](#) (Behavioral Health Service System Act). Requires the proposed legislation to provide that 75.00% of the unencumbered funds are appropriated to the HHS and 25.00% of the unencumbered funds are appropriated to the AG's Office. Requires the HHS and the AG's Office to disburse moneys appropriated from the Fund in accordance with the requirements of the master settlement agreements, the Act in which the moneys are appropriated, and Iowa Code section [12.51](#) (Opioid Settlement Fund). Requires the moneys disbursed by the HHS and the AG's Office to be accompanied by a statement on any printed or marketing materials that the funding is a one-time allocation from the Fund.

DETAIL: As of April 25, 2025, there is \$55,955,750 available for expenditure in the Fund. The AG's Office anticipates receiving another \$1,010,262 in FY 2025. Anticipated deposits into the Fund may change depending on the timing of the receipt of funds and new or fluctuating payment agreements and schedules. The AG's Office is reporting the following additional settlement payments in the next five fiscal years:

- FY 2026 = \$9,866,608
- FY 2027 = \$9,911,025
- FY 2028 = \$7,453,960
- FY 2029 = \$10,682,026
- FY 2030 = \$10,950,437

2 1 (2) The department of health and human services and the
 2 2 office of the attorney general shall submit a report jointly or
 2 3 individually by January 1, 2027, and by January 1 every year
 2 4 thereafter, to the general assembly detailing the disbursements
 2 5 from the immediately preceding fiscal year and, if applicable,
 2 6 the impact of the disbursements on lowans.

CODE: Requires the HHS and the AG's Office to submit a report jointly or individually by January 1 of each year beginning in 2027 to the General Assembly detailing the disbursements from the Fund in the immediately preceding fiscal year and, if applicable, the impact of the disbursements on lowans.

2 7 Sec. 2. OPIOID SETTLEMENT FUND — APPROPRIATIONS —
 2 8 FY 2024-2025.

Supplemental appropriation of \$12,000,000 in FY 2025 from the Fund to the HHS to provide grants to nonprofit organizations headquartered in a city with a population between 24,500 and 25,000 as determined by the 2020 federal decennial census, to renovate and expand a nature-based recovery campus. The organizations will provide co-occurring assessment, treatment, and prevention services for both adolescents and adults who are suffering from mental health and substance use disorders, including outpatient treatment, residential treatment, and detoxification.

2 9 1. There is appropriated from the opioid settlement fund
 2 10 created in section 12.51 to the department of health and human
 2 11 services for the fiscal year beginning July 1, 2024, and ending
 2 12 June 30, 2025, the following amounts, or so much thereof as is
 2 13 necessary, to be used for the purposes designated:
 2 14 a. To provide grants to nonprofit organizations
 2 15 headquartered in a city with a population between 24,500 and
 2 16 25,000 as determined by the 2020 federal decennial census, that
 2 17 are members of the Iowa substance use and problem gambling
 2 18 services integrated provider network and specialize in the
 2 19 treatment and prevention of co-occurring mental health and
 2 20 substance use disorders for adolescents and adults, to be used
 2 21 for renovation and expansion of a nature-based recovery campus
 2 22 to provide co-occurring assessment, treatment, and prevention
 2 23 services for both adolescents and adults who are suffering
 2 24 from mental health and substance use disorders, including
 2 25 outpatient, residential treatment, and detoxification:
 2 26 \$ 12,000,000

2 27 b. To abate the opioid crisis in the state as described in
 2 28 section 12.51, subsection 2:
 2 29 \$ 30,000,000

Supplemental appropriation of \$30,000,000 in FY 2025 from the Fund to the HHS to be used in accordance with the requirements of the master settlement agreements and for purposes of abating the opioid crisis, including the purchase, maintenance, and replacement of opioid antagonist medication administered by first responders to persons experiencing opioid-related overdose.

2 30 2. Notwithstanding section 8.33, moneys appropriated in
 2 31 this section that remain unencumbered or unobligated at the
 2 32 close of the fiscal year shall not revert but shall remain
 2 33 available for expenditure for the purposes designated until the
 2 34 close of the succeeding fiscal year.

Allows any unexpended funds appropriated from the Fund to the HHS for the purposes described in the Bill to remain available until the close of FY 2026.

2 35 Sec. 3. EFFECTIVE DATE. This Act, being deemed of immediate
3 1 importance, takes effect upon enactment.

Specifies that the Bill takes effect upon enactment.

Health and Human Services

Other Funds

	<u>Supp-Senate Approp</u> <u>FY 2025</u> <u>(1)</u>	<u>Page and</u> <u>Line #</u> <u>(2)</u>
<u>Health and Human Services, Department of</u>		
Health and Human Services		
Nature-Based Recovery Campus - OSF	\$ 12,000,000	PG 2 LN 7
Opioid Crisis Abatement - OSF	<u>30,000,000</u>	PG 2 LN 27
Total Health and Human Services, Department of	<u>\$ 42,000,000</u>	
Total Health and Human Services	<u><u>\$ 42,000,000</u></u>	