



John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89TH ASSEMBLY DISTRICT

Co-Chair, Joint Committee on Finance

Assembly Bill 862 Testimony

State Rep. John Nygren

February 6, 2020

Chairman Plumer and fellow committee members,

Thank you for the opportunity to testify in AB862, which would create an opioid settlement trust fund.

Seventy-one of Wisconsin's 72 counties and several municipalities have joined litigation against opioid manufacturers and other aspects of the opioid industry. Although litigation is still pending, we should act today to ensure any potential resolutions to these court cases move quickly and set aside financial claims for their intended purpose.

AB862 creates a foundation and trust fund where settlement funds would be deposited and specifies that funds may only be used as part of a comprehensive opioid abatement plan. Not only will this legislation help multiple levels of government approach a resolution to litigation as a unified front, it will protect financial settlements from politicians looking to avoid difficult budget decisions.

This was an issue that I had been thinking about for some time when the Wisconsin Counties Association and Milwaukee, Dane, and Waukesha Counties approached me last fall about working together on this issue. AB862 is the product of these discussions and I believe it will strengthen our work to tackle the issue of opioid addiction and abuse in Wisconsin.

Thank you for your time and I look forward to any questions you may have.



STATE OF WISCONSIN
DEPARTMENT OF JUSTICE

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Attorney General

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PREPARED TESTIMONY OF ATTORNEY GENERAL JOSH KAUL

2019 Assembly Committee on Substance Abuse and Prevention
Thursday, February 6, 2020

Chair Plumer, Vice Chair Magnafici, and Members of the Committee:

Thank you for the opportunity to testify for informational purposes regarding 2019 Assembly Bill 862 (“AB 862”). With me today is Assistant Attorney General Duane Harlow, the Director of the Wisconsin Department of Justice’s Public Protection Unit.

The opioid epidemic is the most significant public safety issue we face. I am committed to holding accountable opioid manufacturers and distributors that engaged in unlawful conduct that contributed to the epidemic.

In May of 2019, the State of Wisconsin filed suit against Purdue Pharma L.P., Purdue Pharma Inc., and Richard Sackler, a former co-chair of the board and president of Purdue Pharma Inc., for alleged misconduct in the marketing and sales of prescription opioids that contributed to the opioid epidemic and its effects throughout Wisconsin. The lawsuit seeks civil penalties, abatement of the public nuisance, and a permanent injunction to restrain the defendants from engaging in further misleading or deceptive practices in the marketing of their products. While Purdue Pharma is now in bankruptcy, Wisconsin is continuing to pursue a substantial financial recovery from the bankrupt Purdue Pharma entities and members of the Sackler family. The Wisconsin Department of Justice is also pursuing financial recoveries from opioid distributors and other opioid manufacturers.

These matters (the “opioid matters”) have the potential to bring a significant influx of resources into Wisconsin that can be used to help communities throughout the state address the ongoing epidemic. Achieving the best possible outcome in the opioid matters is among my highest priorities as attorney general.

I support the apparent goals of AB 862. I believe it would be beneficial to set up a structure for distributing funds recovered in the opioid matters. I do, however, believe that AB 862 should be amended.

Attorney General Josh Kaul
2019 Assembly Committee on Substance Abuse and Prevention
Thursday, February 6, 2020
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While I will not detail all of the changes that the Wisconsin Department of Justice would like to have made to this bill, I will note two issues. First, the language in proposed sections 25.778 and 165.12 could be revised to make it clearer which matters those provisions apply to. Second, AB 862 should unambiguously provide that the opioid matters can be resolved at the sole discretion of the attorney general.

With that, Duane and I are available to answer questions from the committee members.

ROCK COUNTY, WISCONSIN

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MEMORANDUM

DATE: February 6, 2020

TO: Members, Assembly Committee on Substance Abuse and Prevention

FROM: Josh Smith, County Administrator *JMS*

SUBJECT: Support for Assembly Bill 862

Thank you for the opportunity to present testimony today in support of AB 862.

Like many Wisconsin counties, Rock County has been hit hard by the opioid epidemic. In 2019, 27 of our residents died due to an opioid overdose. Unfortunately, we have to consider that a comparatively good year. The statistics for Rock County alone over the last several years are striking:

- Rock County experienced more than 150 opioid overdose deaths in the last five years, among the top five in the state.
- The Beloit and Janesville Police Departments report a combined 284 opioid overdoses in recent three-year periods.
- The Rock County Sheriff's Office reported 107 overdoses from 2016-2018—incidents that largely occurred in the rural areas of our County.
- 122 individuals, or 46% of those who used our Human Services Department's walk-in clinic in 2019, identified opioids as their drug of choice.
- Rock County spent \$75,000 for residential treatment and nearly \$60,000 for medication assisted treatment over the last two years.

Rock County has joined the effort to hold those responsible for creating this situation accountable for providing the resources necessary to address this public health crisis. Eventually, courts will agree and the State of Wisconsin and its counties will be provided what we hope to be significant funding to abate the ongoing damage caused by this epidemic.

We feel AB 862 establishes an important framework that will prepare us for this eventual judgment or settlement and ensure that these funds are used only for the purposes for which they are intended. In particular, the creation of a foundation, overseen by public officials and experts and subject to laws requiring transparency, will ensure that these funds are used appropriately. Including a specific list of allowable programs and interventions in the bill provides further confidence that these funds will be used to help those most in need. In Rock County we are already utilizing many of these approaches, including peer support specialists, mobile crisis response, crisis stabilization beds, and increased access to medication assisted treatment.

I urge you to approve AB 862 and take an important step to ensuring that revenues generated from the mistreatment of our state's residents are secured and dedicated to helping those still suffering from addiction.