

1 STATE OF OKLAHOMA

2 2nd Session of the 60th Legislature (2026)

3 HOUSE BILL 4261

By: Kannady

4

5

6

7 AS INTRODUCED

8 An Act relating to state government; amending 74 O.S.
9 2021, Section 30.5, as last amended by Section 1,
10 Chapter 351, O.S.L. 2025 (74 O.S. Supp. 2025, Section
11 30.5), which relates to definitions used in the
12 Political Subdivisions Opioid Abatement Grants Act;
13 providing definition; amending 74 O.S. 2021, Section
14 30.7, which relates to the Oklahoma Opioid Abatement
15 Board; directing the Attorney General to serve as
16 chair of Board; replacing the term eligible
17 participants with grantees; directing the Board to
18 develop an opioid grant award contract; directing
19 Board to develop grounds and procedures for
20 terminating contract; permitting the Attorney General
21 to propose adequate remedies for noncompliant
22 grantees; amending 74 O.S. 2021, Section 30.8, as
23 last amended by Section 3, Chapter 351, O.S.L. 2025
24 (74 O.S. Supp. 2025, Section 30.8), which relates to
disbursement of grants; requiring grantees to
maintain and submit supporting documentation;
requiring payments to third parties be made on
reimbursement basis or after receipt of goods or
services; providing an appeals process for eligible
participants after grant award decision of the Board;
limiting appeals to application; clarifying partial
funding award is not a denial; permitting opportunity
to appear before the Board; permitting the Board to
consider written submissions and ask for further
information; allowing the Board to limit the amount
of time for considering an appeal; clarifying denial
and termination do not constitute an individual
proceeding; establishing that appeal decisions of the
Board are final and non-reviewable; providing for

1 codification; providing an effective date; and
2 declaring an emergency.
3
4

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 74 O.S. 2021, Section 30.5, as
last amended by Section 1, Chapter 351, O.S.L. 2025 (74 O.S. Supp.
2025, Section 30.5), is amended to read as follows:

Section 30.5. As used in the Political Subdivisions Opioid
Abatement Grants Act:

1. "Approved purpose" and "approved purposes" mean evidence-based, forward-looking strategies, programming and services used to:
 - 12 a. expand the availability of treatment for individuals affected by opioid use disorders, co-occurring substance use disorders and mental health issues,
 - 13 b. develop, promote and provide evidence-based opioid use prevention strategies,
 - 14 c. provide opioid use disorder and co-occurring substance use disorder avoidance and awareness education,
 - 15 d. decrease the oversupply of licit and illicit opioids,
 - 16 e. support recovery from addiction services performed by qualified and appropriately licensed providers,
 - 17 f. treat opioid use, abuse and disorders including early intervention screening, counseling and support,

- g. support individuals in treatment and recovery from opioid use, abuse and disorder,
- h. provide programs or services to connect individuals with opioid use, abuse or disorder, or who are at risk of developing opioid use disorder, co-occurring substance use disorder and mental health issues, with treatment and counseling programs and services,
- i. address the needs of individuals who are involved, or who are at risk of becoming involved, in the criminal justice system due to opioid use, abuse or disorder through programs or services in municipal and county criminal judicial systems including prearrest and postarrest diversion programs, pretrial services and drug or recovery courts,
- j. address the needs of pregnant or parenting women with opioid use, abuse or disorder and their families,
- k. address the needs of parents and caregivers caring for babies with neonatal abstinence syndrome,
- l. support efforts to prevent overprescribing and ensure appropriate prescribing and dispensing of opioids,
- m. support efforts to discourage or prevent misuse of opioids including the oversupply of licit and illicit opioids,

- n. support efforts to prevent or reduce overdose deaths or other opioid-related harms including through increased availability and distribution of naloxone and other drugs that treat overdoses for use by first responders, persons who have experienced an overdose event, families, schools, community-based service providers, social workers and other members of the public,
- o. reimburse or fund law enforcement and emergency responder expenditures relating to the opioid epidemic including costs of responding to emergency medical or police calls for service, equipment, treatment or response alternatives, mental health response training and training for law enforcement and emergency responders as to appropriate practices and precautions when dealing with opioids or individuals who are at risk of opioid overdose or death,
- p. reimburse attorney fees and allowable expenses directly related to opioid litigation incurred as part of legal services agreements entered into before May 21, 2020,
- q. support efforts to provide leadership, planning and coordination to abate the opioid epidemic through activities, programs or strategies for prevention and

recovery models including regional intergovernmental efforts and not-for-profit agency support,

r. support education of youths regarding the dangers of opioid use, abuse and addiction,

s. fund training relative to any approved purpose,

t. monitor, surveil and evaluate opioid use, abuse or disorder,

u. provide educational and health care services related to nonopioid treatment alternatives, or

v. provide opioid abatement as identified by the Oklahoma Opioid Abatement Board as consistent with the purpose of the Political Subdivisions Opioid Abatement Grants Act.

14 Provided that, such strategies, programming and services occurred on
15 or after January 1, 2015.

Approved purpose also includes any approved uses as authorized by opioid-related settlement agreements in which the State of Oklahoma is a litigant or participant;

2. "Board" means the Oklahoma Opioid Abatement Board;

3. "Eligible participant" means any political subdivision affected by the opioid crisis;

4. "Grantee" means an eligible participant that has been awarded an opioid grant award by the Board pursuant to the provisions of this act;

1 5. "Nonapproved purpose" and "nonapproved purposes" mean
2 strategies, programming and services not falling within the
3 definition of approved purpose or approved purposes as defined in
4 this section, or any use that the Board determines to be unrelated
5 to or inconsistent with opioid abatement;

6 5. 6. "Opioid funds" means all monetary amounts obtained
7 through a settlement or judgment by the Attorney General on behalf
8 of this state related to opioid litigation involving pharmaceutical
9 supply chain participants including the Purdue Political Subdivision
10 Fund but excluding all other funds received pursuant to the Purdue
11 Settlement Agreement;

12 6. 7. "Opioid grant awards" means grants funded from the
13 Oklahoma Opioid Abatement Revolving Fund, awarded pursuant to the
14 provisions of ~~the Political Subdivisions Opioid Abatement Grants Act~~
15 this act;

16 7. 8. "Pharmaceutical supply chain" means the process and
17 channels through which controlled substances are manufactured,
18 marketed, promoted, distributed or dispensed;

19 8. 9. "Pharmaceutical supply chain participant" means any
20 entity that engages in or has engaged in the manufacture, marketing,
21 promotion, distribution or dispensing of an opioid analgesic;

22 9. 10. "Political subdivision" and "political subdivisions"
23 have the same meaning as provided in subparagraphs a, b, c and d of
24 paragraph 11 12 of Section 152 of Title 51 of the Oklahoma Statutes.

1 Political subdivision also means the board of regents or board of
2 trustees of a state educational institution which is a member of The
3 Oklahoma State System of Higher Education;

4 ~~10.~~ 11. "Purdue Political Subdivision Fund" means the Twelve
5 Million Five Hundred Thousand Dollars (\$12,500,000.00) of funds
6 received from the Purdue Settlement Agreement designed for
7 distribution to political subdivisions which have executed a release
8 of legal claims as required by the Purdue Settlement Agreement; and

9 ~~11.~~ 12. "Purdue Settlement Agreement" means the settlement
10 agreement entered into by this state and Purdue Pharma L.P., Purdue
11 Pharma, Inc. and the Purdue Frederick Company on March 26, 2019, and
12 approved by the Court on April 2, 2019.

13 SECTION 2. AMENDATORY 74 O.S. 2021, Section 30.7, is
14 amended to read as follows:

15 Section 30.7. A. There is hereby created the Oklahoma Opioid
16 Abatement Board which shall consist of the following nine (9)
17 members:

18 1. One member appointed by the Governor;
19 2. One member appointed by the State Auditor and Inspector;
20 3. One member appointed by the State Treasurer;
21 4. The Attorney General of the State of Oklahoma, or his or her
22 designee, who shall serve as chair and an ex officio member of the
23 Board but who shall be entitled to vote only in case of a tie vote;

24

1 5. One member appointed by the State Superintendent of Public
2 Instruction;

3 6. Two members appointed by the Speaker of the House of
4 Representatives; and

5 7. Two members appointed by the President Pro Tempore of the
6 Senate.

7 B. Each member shall serve at the pleasure of his or her
8 appointing authority and may be removed or replaced without cause.

9 Any member of the Board shall be prohibited from voting on any issue
10 in which the member has a direct or indirect financial interest.

11 C. The Board shall have the following powers and duties:

12 1. Develop and implement procedures for the disbursement of
13 opioid grant awards to ~~eligible participants~~ grantees, to be used by
14 ~~eligible participants~~ grantees to fund and reimburse costs related
15 to approved purposes. The Board may elect to disburse opioid grant
16 awards to ~~eligible participants~~ grantees in multiple allocations;

17 2. Develop and implement opioid grant application, submission
18 and evaluation procedures as required to implement the provisions of
19 this act;

20 3. Develop and implement an opioid grant award contract to
21 establish the duties and responsibilities of the eligible
22 participants in exchange for receiving opioid abatement grant
23 awards;

1 4. Hear appeals process for eligible participants to contest
2 from grantees contesting opioid grant application denials and
3 denials of specific fund use requests contained in submitted
4 applications;

5 4. 5. Maintain oversight over the expenditure of opioid grant
6 awards to ensure grant proceeds are used exclusively for approved
7 purposes; and

8 5. 6. Suspend allocations of opioid grant awards to eligible
9 participants found by the Board to be out of compliance with Board
10 procedures or to have utilized such awards for nonapproved purposes;
11 provided that the Board ~~shall~~ may resume such allocations once the
12 Board has determined the eligible participant has adequately
13 remedied the cause of such suspension; and

14 7. Develop grounds and procedures for terminating opioid grant
15 award contracts.

16 D. No opioid grant awarded pursuant to the provisions of this
17 act shall be utilized or expended by a political subdivision, unless
18 such utilization or expenditure is memorialized in a resolution or
19 equivalent government action adopted by the political subdivision
20 and submitted to the Board.

21 E. No opioid grant awarded pursuant to the provisions of this
22 act shall include funds from the Purdue Political Subdivisions Fund
23 unless the Board shall have first received a release of claims as
24

1 required by the Purdue Settlement Agreement on a form approved by
2 the Attorney General.

3 F. The Office of the Attorney General shall provide staff and
4 administrative support to the Oklahoma Opioid Abatement Board.

5 G. The Office of the Attorney General shall promulgate rules
6 necessary to implement the provisions of this act; provided that the
7 Office of the Attorney General shall only promulgate such rules as
8 requested or approved by the Board.

9 H. The Attorney General may propose adequate remedies for
10 noncompliant grantees for presentation and approval by the Board.

11 SECTION 3. AMENDATORY 74 O.S. 2021, Section 30.8, as
12 last amended by Section 3, Chapter 351, O.S.L. 2025 (74 O.S. Supp.
13 2025, Section 30.8), is amended to read as follows:

14 Section 30.8. A. 1. The Oklahoma Opioid Abatement Board shall
15 conduct one or more disbursements of opioid grant awards to
16 participating eligible participants. Such opioid grant awards shall
17 be allocated amongst the different participating eligible
18 participants based on the following criteria:

19 a. the number of people per capita suffering from opioid
20 use disorder in the participating political
21 subdivision, or in the absence of such information,
22 the opioid prescription rate in the political
23 subdivision compared to the national average opioid
24 prescription rate,

- b. the number of opioid overdose deaths in the participating political subdivision,
- c. the amount of opioids distributed within the participating political subdivision,
- d. the amount of attorney fees and allowable expenses associated with legal services agreements directly related to opioid litigation incurred as part of legal services agreements entered into before May 21, 2020, or
- e. any other criteria established by the Board.

2. Grant awards shall be subject to legal services agreements entered into by ~~eligible participants~~ grantees.

3. Opioid grant awards as provided for in this subsection shall be listed in an opioid grant award distribution table reviewed and approved by the Board to ensure that such awards adhere to the criteria adopted by the Board.

B. Funds accrued in the Oklahoma Opioid Abatement Revolving Fund shall be available to the Board to award as grants to eligible participants grantees for approved purposes.

C. In the event ~~an eligible participant~~ a grantee merges, dissolves or ceases to exist, any remaining allocations of an awarded opioid grant award in excess of Five Hundred Dollars (\$500.00) shall be reallocated equitably based on the composition of

1 the successor ~~eligible participant~~ grantee or the successor ~~eligible~~
2 participants grantees.

3 D. Grantees are required to maintain and submit supporting
4 documentation for all purchases, expenditures, and activities.

5 E. Payments from grantees to third parties shall be made on
6 either a reimbursement basis or after the grantee receives goods or
7 services and has determined them to be satisfactory.

8 SECTION 4. NEW LAW A new section of law to be codified
9 in the Oklahoma Statutes as Section 30.9 of Title 74, unless there
10 is created a duplication in numbering, reads as follows:

11 A. An eligible participant wishing to appeal a grant award
12 decision of the Board may submit a written appeal to the Board
13 within twenty (20) days of notification of a grant award decision.

14 B. Appeals shall be limited to the application as submitted to
15 the Board and may only address the reasons for denial provided.
16 Appeals may not propose changes to grant activities or expenditures
17 in the application.

18 C. The Board's decision to award only partial funding of a
19 project is deemed to not be a denial.

20 D. An appealing eligible participant may be granted an
21 opportunity to appear before the Board.

22 E. In deciding whether to sustain or overrule a denial, the
23 Board may consider the written submission and ask questions of or
24

1 for additional information from the eligible participant or the
2 Attorney General's staff.

3 F. The Board may limit the amount of time for considering an
4 appeal. Once a hearing is concluded, the Board may amend or affirm
5 its original decision.

6 G. Neither appeals from an application denying an application
7 for an opioid abatement grant award nor a termination of an opioid
8 abatement award contract constitute an individual proceeding as
9 defined in paragraph 9 of Section 250.3 of Title 75 of the Oklahoma
10 Statutes, and are not subject to Article II of the Administrative
11 Procedures Act.

12 H. Any appeal decision of the Board is final and non-reviewable
13 under Title 12 or Section 318 of Title 75 of the Oklahoma Statutes.

14 SECTION 5. This act shall become effective July 1, 2026.

15 SECTION 6. It being immediately necessary for the preservation
16 of the public peace, health or safety, an emergency is hereby
17 declared to exist, by reason whereof this act shall take effect and
18 be in full force from and after its passage and approval.

19
20 60-2-14393 MJ 01/05/26
21
22
23
24