

SENATE
STATE OF MINNESOTA
NINETIETH SESSION

S.F. No. 2148

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DATE
03/15/2017

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Introduction and first reading
Referred to Health and Human Services Finance and Policy

OFFICIAL STATUS

1.1 A bill for an act
1.2 relating to human services; developing specialized opioid addiction treatment
1.3 programs; modifying the wholesale drug distributor tax; appropriating money;
1.4 amending Minnesota Statutes 2016, sections 254B.03, by adding a subdivision;
1.5 295.50, by adding a subdivision; 295.52, subdivisions 3, 4.

1.6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

1.7 Section 1. Minnesota Statutes 2016, section 254B.03, is amended by adding a subdivision
1.8 to read:

1.9 Subd. 2a. **Specialized opioid addiction treatment programs.** (a) The commissioner,
1.10 local agencies, and eligible vendors shall develop and implement specialized, comprehensive
1.11 programs to treat opioid addiction. These programs shall consist of residential or
1.12 nonresidential chemical dependency treatment, and additional wraparound services that are
1.13 available to patients for a clinically appropriate period for up to 12 months after completion
1.14 of a treatment program. Wraparound services shall include:

1.15 (1) case management services which assist with:

1.16 (i) educational resources;

1.17 (ii) legal services;

1.18 (iii) financial management services;

1.19 (iv) child care services; and

1.20 (v) family and social services;

1.21 (2) peer support services, including peer-to-peer support groups;

1.22 (3) employment support; and

2.1 (4) transportation assistance.

2.2 (b) Opioid treatment programs established under this subdivision must be licensed by
2.3 the commissioner under section 245A.192.

2.4 (c) Programs established under this section must comply with section 254B.04,
2.5 subdivision 2b, and all other existing laws.

2.6 Sec. 2. Minnesota Statutes 2016, section 295.50, is amended by adding a subdivision to
2.7 read:

2.8 Subd. 2b. **Controlled substance.** "Controlled substance" means a legend drug that is
2.9 also a controlled substance as defined in section 152.126, subdivision 1, paragraph (c).

2.10 **EFFECTIVE DATE.** This section is effective for gross revenues received after June
2.11 30, 2017.

2.12 Sec. 3. Minnesota Statutes 2016, section 295.52, subdivision 3, is amended to read:

2.13 Subd. 3. **Wholesale drug distributor tax.** A tax is imposed on each wholesale drug
2.14 distributor equal to:

2.15 (1) ... percent of its gross revenues derived for sale or distribution of controlled
2.16 substances; plus

2.17 (2) two percent of its gross revenues that are not subject to clause (1).

2.18 **EFFECTIVE DATE.** This section is effective for gross revenues received after June
2.19 30, 2017.

2.20 Sec. 4. Minnesota Statutes 2016, section 295.52, subdivision 4, is amended to read:

2.21 Subd. 4. **Use tax; legend drugs.** (a) A person that receives legend drugs for resale or
2.22 use in Minnesota, other than from a wholesale drug distributor that is subject to tax under
2.23 subdivision 3, is subject to a tax equal to the price paid for the controlled substances or the
2.24 legend drugs multiplied by the applicable tax percentage specified in this section subdivision
2.25 3. Liability for the tax is incurred when legend drugs or controlled substances are received
2.26 or delivered in Minnesota by the person.

2.27 (b) A tax imposed under this subdivision does not apply to purchases by an individual
2.28 for personal consumption.

2.29 **EFFECTIVE DATE.** This section is effective for gross revenues received after June
2.30 30, 2017.

3.1 Sec. 5. **APPROPRIATION.**

3.2 All revenues from the increased tax rate imposed on wholesale drug distributor gross
3.3 revenues in fiscal years 2018 and 2019 from the sale or distribution of controlled substances
3.4 under Minnesota Statutes, section 295.52, subdivision 3, in fiscal years 2018 and 2019 are
3.5 appropriated from the health care access fund to the commissioner of human services to
3.6 administer and implement the requirements of Minnesota Statutes, section 254B.03,
3.7 subdivision 2a.