

New Opioid Settlements

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Key points

- ▶ Local governments will receive up to \$217 million over 15 years
- ▶ The sign-on deadline is April 18, 2023
- ▶ An eligible city can participate even if did not file a lawsuit
- ▶ If not enough local governments participate, no one gets any of the settlement money
- ▶ When combined with the earlier distributor settlement, Washington local governments will receive \$432 million

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Washington cities and counties will receive up to \$217 million from these settlements

- ▶ The local governments will receive up to \$217 million payable over 15 years
- ▶ The amount varies depending on how many eligible Washington cities and counties join
- ▶ Steep drop if not all join

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Who must join the settlements for them to become effective?

- ▶ Unlike the distributor deal, the national sign-on level of local governments is the data point
- ▶ The AGO strongly encourages all eligible Washington cities and counties to join
- ▶ Not joining will significantly lower what other cities and counties receive

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What happens if not enough cities and counties join the settlements?

- ▶ If not enough local governments join by April 18, 2023, the settlements are void
- ▶ No one gets any of the settlement money

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How to calculate the share your city or county would receive

- ▶ Same as the distributor settlement
- ▶ Your share can be calculated by multiplying \$217 million and your city or county's percentage in Exhibit B of the One Washington MOU
- ▶ Attorneys' fees of 15% then need to be deducted, but this deduction will not occur in later payment years

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State/local government split of settlement proceeds

- ▶ Each eligible city and county needs to sign the Allocation Agreement II
- ▶ Very similar to the to the Allocation Agreement for the distributor settlement
- ▶ Total Washington share of new settlements is \$434 million
- ▶ Will be split 50% local governments/50% State
- ▶ Local government share is then being allocated per the One Washington MOU

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How a city or county can join the settlements

- ▶ Emails with DocuSign links will be sent to each city and county by the Implementation Manager
- ▶ If you do not receive this email, please contact the AGO and opioidsparticipation@rubris.com
- ▶ Electronically sign (1) the five Participation Forms and (2) the Allocation Agreement II
- ▶ Deadline is April 18, 2023

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Who are the eligible cities?

- ▶ Any city can join, but those that can directly receive a share of the settlement funds are those identified in the One Washington MOU
- ▶ Cities with a population of over 10,000 on the July 1, 2019 census population estimate

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When do settlement payments start and how much are they?

- ▶ The settlement terms vary, but first payments will be made in 2023 unless there are delays
- ▶ Will be somewhat frontloaded
- ▶ If full participation by local governments, then \$45.8 million is payable in the first year

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A local government can decide to spend settlement money or pool it with others

- ▶ A local government can spend settlement money itself or regionally
- ▶ Settlement funds must be spent on an Approved Use (which is nearly identical to the distributor settlement) for fighting the opioid epidemic
- ▶ There are reporting requirements

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Nearly all other states are joining these settlements

- ▶ Unlike the distributor settlement, this is a national deal
- ▶ It varies from settlement to settlement, but generally 48 states or more are joining each settlement or have previously settled

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New settlements do not affect your distributor settlement payments

- ▶ Eligible cities and counties that signed up on the payment portal should have received their first distributor settlement payment
- ▶ The remaining amount due to local governments is \$186.6 million before attorneys' fees, payable over 16 years
- ▶ Next payment is on July 15, 2023

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How to access the settlement documents

- ▶ <https://nationalopioidsettlement.com> has the full settlement terms and more information about the settlements
- ▶ While this website also has the sign-on documents, a city or county should use the email from the Implementation Manager to access the DocuSign platform

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Key points

- ▶ The deadline to sign and return the Participation Forms and Allocation Agreement II is April 18, 2023
- ▶ The local governments will receive up to \$217 million payable over 15 years
- ▶ If not enough local governments participate, no one gets any of the settlement money

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Questions

- ▶ Contact Jeff Rupert, the AGO Complex Litigation Division Chief, at 206-389-2116 or Jeffrey.Rupert@atg.wa.gov
- ▶ You also can contact comopioidscases@atg.wa.gov
- ▶ <https://nationalopioidsettlement.com> has more information about the settlements and the sign-on process

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