

JOSH STEIN
ATTORNEY GENERAL



June 14, 2024

Dear Municipal Managers, Attorneys, and Clerks:

I am writing with an update in our collective fight to address the opioid epidemic and save lives – along with a request for you to take action to secure additional opioid settlement funds so that we can continue this important work.

In the wake of litigation filed by state and local governments in North Carolina and across the country, my team and I helped negotiate more than \$50 billion in national opioid settlements, including \$1.4 billion for North Carolina that is already flowing to the state, all 100 counties, municipalities of over 75,000 people (in 2019), and municipalities that engaged in litigation against opioid defendants.

I am writing today because we recently negotiated an additional \$1.37 billion settlement with Kroger, which owns and operates Harris Teeter supermarkets in North Carolina. As a result of this settlement, the North Carolina state and local governments that are receiving opioid settlement funds stand to receive an additional \$40 million above and beyond the roughly \$1.4 billion from previously approved opioid settlements and bankruptcy resolutions.

As with prior opioid settlements, **North Carolina will receive its full share of payments from the Kroger settlement only if all local governments of over 30,000 people, including your municipality, sign onto the settlement.** And Kroger will agree to finalize the settlement only if a sufficient number of local governments across North Carolina and the nation sign on.

Although direct payments under the opioid settlements flow only to municipalities with populations of more than 75,000 people (in 2019) and those that engaged in litigation against opioid defendants, residents of all municipalities benefit from the resources going to individual counties and the state as a whole to fight this scourge. In traveling across North Carolina in recent years, I have learned firsthand about the many innovative programs to address the opioid crisis that local governments are funding with money from the opioid settlements. I am excited to see programs like these continue and expand.

On Friday, June 14, your municipal manager or attorney (or other senior staff your municipality identified in the course of approving prior settlements) will receive an email from the national administrator, Rubris. The email from Rubris invites your municipality to sign onto the Kroger settlement as well as a supplement to the North Carolina Memorandum of Agreement (“MOA”) on the allocation, use, and reporting of funds from opioid settlements.

This MOA supplement is called the “Second Supplemental Agreement for Additional Funds from Additional Settlement of Opioid Litigation” or “SAAF-2” for short. It provides that the bulk of North Carolina’s money from the Kroger settlement will go to counties, municipalities of over 75,000 people (in 2019), and those that engaged in litigation against opioid defendants to address the opioid crisis.

The SAAF-2 extends to the Kroger settlement the basic terms of the MOA governing prior opioid settlements. Like the MOA, the SAAF-2 has the support of my office, the North Carolina Association of County Commissioners (NCACC), and the North Carolina League of Municipalities (NCLM).

August 12, 2024 is the deadline to sign onto the Kroger settlement and SAAF-2. To assist you in meeting this deadline, we are pleased to share a draft resolution template that your governing body may adopt to authorize signing onto the Kroger settlement and SAAF-2. The draft resolution template is available [HERE](#) on the “Kroger Settlement” page of DOJ’s www.MorePowerfulNC.org website. I encourage your municipality to adopt its authorizing resolution and execute the settlement documents and SAAF-2 as soon as possible so that North Carolina can help build national momentum in support of the Kroger settlement. (Note that in some instances, prior resolutions passed by your governing board may be sufficiently broad to authorize signing onto the Kroger settlement and SAAF-2. You may wish to consult your municipal attorney to see if that is the case.)

I’m proud that the strong partnership between the state and local governments in North Carolina has produced 100% local government participation in prior opioid settlements. This enabled the state and participating local governments to receive 100% of our collective share of the national settlement funds.


We are hoping to achieve the same unanimous approval of the Kroger settlement. Assuming a high level of participation by local governments across North Carolina and the country, and final approval of the settlement by Kroger, North Carolina should start receiving money from the settlement during Fiscal Year 2024-25. These funds will be in addition to the money our state is already projected to receive from prior opioid settlements. The maximum amount that your county is projected to receive from the Kroger settlement is available [HERE](#) on the “Kroger Settlement” page. The amount your county is projected to receive from ALL prior opioid settlements combined is available [HERE](#) on the Community Opioid Resources Engine (CORE-NC), our award-winning opioid settlement dashboard (and this page will be updated to include the Kroger dollars after the Kroger settlement is finalized).

For more information, I encourage you to visit the “Opioid Settlements” section of DOJ’s www.MorePowerfulNC.org website. You will find additional tools, resources, and information about the opioid settlements on the Community Opioid Resources Engine (CORE-NC) (<https://ncopioidsettlement.org/>).

We encourage you to consult your municipal attorney regarding the Kroger settlement. If you have questions for my team about the settlement, please do not hesitate to email us at opioidsettlement@ncdoj.gov.

Thank you for your consideration and partnership in this ongoing effort to save lives and improve the health and well-being of North Carolina residents impacted by the opioid crisis.

Sincerely,



Josh Stein