

JOSH STEIN
ATTORNEY GENERAL



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Dear Municipal Managers, Attorneys, and Clerks:

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

As you know, I helped negotiate the \$26 billion national opioid settlements with the “big three” drug distributors plus Johnson & Johnson (“Wave One Settlements”). In 2022 these funds began flowing to the state, all 100 counties, municipalities of over 75,000 people, and municipalities that engaged in litigation against opioid defendants.

We recently negotiated \$21 billion in new settlements with CVS, Walgreens, Walmart, Allergan and Teva (“Wave Two Settlements”). These Wave Two Settlements have the potential to bring significantly greater resources to North Carolina to address the opioid epidemic. North Carolina’s state and local governments receiving opioid settlement funds stand to receive more than \$600 million from the Wave Two Settlements – in addition to the more than \$750 million we are already receiving from the Wave One Settlements.

Although your municipality is not receiving direct payments under the opioid settlements, your residents benefit from the resources going to your county and the state as a whole. In traveling across North Carolina in recent months, I have learned firsthand about the many innovative programs to address the opioid crisis that local governments are funding with money from the Wave One Settlements. I am excited about the many new or expanded programs that can be funded with additional resources from the Wave Two Settlements.

As with the Wave One Settlements, **North Carolina will receive its full share of payments from the Wave Two Settlements only if all local governments of over 30,000 people, including your municipality, sign onto each settlement.** And the defendants will agree to finalize the Wave Two Settlements only if the vast majority of local governments across the nation sign onto them.

In the coming days, your municipal manager or attorney (or other senior staff your municipality identified in the course of approving the Wave One Settlements) will receive an email from the national administrator, Rubris. The email from Rubris will invite your municipality to sign onto each of the five new Wave Two Settlements as well as a supplement to the North Carolina Memorandum of Agreement (“MOA”) on the allocation, use, and reporting of funds from the Wave One settlements.

This supplement to the MOA is called the “Supplemental Agreement for Additional Funds from Additional Settlements of Opioid Litigation” or “SAAF” for short. It provides that the bulk of North Carolina’s money from the Wave Two Settlements will go to counties, municipalities of over 75,000 people, and municipalities that engaged in litigation against opioid defendants to address the opioid crisis. The SAAF extends the basic terms of the MOA governing the Wave One Settlements to the Wave Two Settlements. Like the MOA, the SAAF has the support of my office, the North Carolina Association of County Commissioners (NCACC), and the North Carolina League of Municipalities (NCLM).

April 18, 2023 is the deadline to sign onto the Wave Two Settlements and the SAAF. 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 Wave Two Settlements and the SAAF. The draft resolution template is available [HERE](#) on the “Wave Two Settlements” page of DOJ’s www.MorePowerfulNC.org website. I encourage your municipality to adopt its authorizing resolution and execute the settlement documents and SAAF as soon as possible so that North Carolina can help build national momentum in support of the Wave Two Settlements.

I’m proud that the strong partnership between the state and local governments in North Carolina produced 100% local government participation in the Wave One Settlements. This enabled the state and the 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 Wave Two Settlements. Assuming this high level of participation by local governments across North Carolina and the country, which we expect, North Carolina should start receiving money from the Wave Two Settlements during the second half of 2023. These funds will be in addition to the money our state is already projected to receive from the Wave One Settlements. The maximum amount that your county is projected to receive from the Wave Two Settlements (along with a reminder of the amount your county is projected to receive from Wave One Settlements) is available [HERE](#) on the “Wave Two Settlements” page of DOJ’s www.MorePowerfulNC.org website.

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 for North Carolina (CORE-NC) (<https://ncopioidsettlement.org/>).

We encourage you to consult your municipal attorney regarding the Wave Two Settlements. If you have questions for my team about the Wave Two Settlements or SAAF, 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