



RESOLUTION

A RESOLUTION SUPPORTING THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE STATE OF NORTH CAROLINA AND LOCAL GOVERNMENT ON PROCEEDS RELATING TO THE SETTLEMENT OF OPIOID LITIGATION

WHEREAS, as of 2019, the opioid epidemic had taken the lives of more than 16,500 North Carolinians, torn families apart, and ravaged communities from the mountains to the coast; and

WHEREAS, local governments are on the front lines of the opioid crisis, which has imposed significant and continuing costs for healthcare, criminal justice, and social service systems; and

WHEREAS, the COVID-19 pandemic has compounded the opioid crisis, increasing levels of drug misuse, addiction, and overdose death; and

WHEREAS, the Centers for Disease Control and Prevention estimates that the total "economic burden" of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and

WHEREAS, North Carolina local governments and the State of North Carolina have had to draw mostly on taxpayer funds to combat the opioid crisis; and

WHEREAS, leaders of the North Carolina Association of County Commissioners established focused, year-long initiatives to address the opioid epidemic, including Past President Fred McClure's County Leadership Forum on Opioid Abuse (2016-2017), and Past President Ronnie Beale's Mental Health and Substance Abuse initiative (2014-2015); and

WHEREAS, certain counties and municipalities in North Carolina joined with thousands of local governments across the country to file lawsuit against opioid manufacturers and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and

WHEREAS, the North Carolina Association of County Commissioners formed a Working Group to collaborate with the Department of Justice on an allocation model to distribute potential opioid settlement funds to all 100 counties; and

WHEREAS, the North Carolina Association of County Commissioners Past President and Yadkin County Commissioner Kevin Austin appointed a special Opioid Settlement Committee to help craft settlement options known as the 5-5-5 Committee, consisting of five County Commissioners, five County Managers, and five County Attorneys representing all parts of the state; and

WHEREAS, representatives of local North Carolina governments, the North Carolina Association of County Commissioners, and the North Carolina Department of Justice worked jointly over many months to negotiate and prepare a Memorandum of Agreement (MOA) to provide for the equitable distribution of any proceeds



from one or more settlements of national opioid litigation to the State of North Carolina and to individual local governments; and

WHEREAS, Local Governments and the State of North Carolina anticipate one or more settlements in the national opioid litigation to be forthcoming; and

WHEREAS, signing onto the Memorandum of Agreement (MOA), the state and Local Governments will maximize North Carolina's share of opioid settlement funds to ensure the needed resources reach communities, once a negotiation is finalized, as quickly, effectively, and directly as possible; and

WHEREAS, it is advantageous to all North Carolinians for local governments to sign onto the MOA and demonstrate solidarity in response to the opioid epidemic, and to maximize the share of opioid settlement funds received in the state to help abate the harm; and

WHEREAS, the MOA directs substantial resources over multiple years to local governments on the front lines of the opioid epidemic while ensuring that these resources are used in an effective way to address the crisis;

NOW, THEREFORE BE IT RESOLVED, the North Carolina Association of County Commissioners Board of Directors supports the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of pending Opioid Litigation and any subsequent settlement funds that may come into North Carolina as a result of the opioid crisis;

AND, FURTHER BE IT RESOLVED, the North Carolina Association of County Commissioners Board of Directors urges all 100 counties and municipal partners to sign without delay the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of pending Opioid Litigation.

Adopted this 28th day of April 2021 by North Carolina Association of County Commissioners.

Ronnie Smith, President
North Carolina Association of County Commissioners