



Total Funds

\$58 million¹

Allocation

85% to an Abatement Account Fund and 15% to participating political subdivisions

Mechanism

Administrative Order ([Administrative Order 324](#), [Governor's Advisory Council on Opioid Remediation](#)) + Governor's Advisory Council on Opioid Remediation (GACOR) [2022 Report](#)^{2,3}

Key Takeaways

State and local decision-making. The Governor's Advisory Council on Opioid Remediation (GACOR) recommends to the Department of Health and Social Services (DHSS)⁴ how best to use the state's 85% share, while participating political subdivisions will decide for themselves how to spend their 15% share.

Public reporting. Administrative Order No. 324 contains no explicit promises to publicly report opioid settlement expenditures and does not contain enforcement provisions for misspent funds.⁵

Background

The Governor's Administrative Order 324 ([Admin. Or. No. 324](#)) establishes the 13-member Governor's Advisory Council on Opioid Remediation (GACOR) to oversee the state's 85% share of funds. GACOR's [2022 Report](#) outlines Alaska's 85-15 state-local allocation.⁶ Alaska has indicated that the national settlements' Exhibit E will guide its approach, including investment in strategies related to primary prevention, treatment, harm reduction, and recovery.⁷

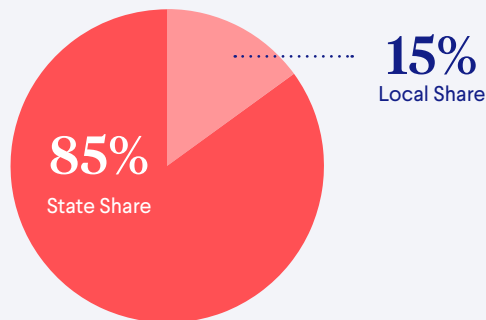
This resource is current as of 4/25/2023. For the most up-to-date information, please visit <https://www.opioidsettlementtracker.com/settlementspending>.



Alaska

Decision- Making Process

ALLOCATION OF SETTLEMENT FUNDS



85% – STATE SHARE

The state government's 85% share sits in an abatement account fund.⁸ GACOR's nine voting members are appointed by the Governor.⁹ Five of the nine are local government appointees meant to represent Alaskan municipalities in all their diversity. The other four voting members represent the Division of Public Health (within DOH), the Department of Revenue, the Mental Health Trust Authority, and an expert in Alaska Native health policy. (Four non-voting members will be appointed by the legislature).¹⁰

Each year, GACOR provides a report to the DHSS Commissioner¹¹ containing recommendations about the allocation of settlement funds, processes for gathering community input, and implementation of evidence-based strategies to promote opioid remediation across the state.¹² Within three months of receiving this report, the Commissioner must respond to GACOR with the status of its recommendations, disagree with GACOR's recommendations by notifying both GACOR and the Governor's office in writing, or request an extension of the timeline.¹³

GACOR's first set of recommendations were submitted on November 1, 2022 and include an appendix summarizing public comments received by GACOR on its initial draft recommendations.¹⁴

In May 2023, Deputy Attorney General Cori Mills indicated that settlement funds must be appropriated by the legislature before they may be spent on opioid remediation.¹⁵



Decision-Making Process

(Continued)

15% LOCAL SHARE

Alaska's existing mechanisms only direct the state's share of funds and do not direct localities' opioid settlement spending. Decisions on local spending will likely be left to decisionmakers for the localities themselves and expended according to their normal budget processes.¹⁶

LOCAL SPENDING EXAMPLE

The Kenai Peninsula Borough established the [Opioid Settlement Grant Fund Program](#) to house its settlement funds via Ordinance 2021-19-50.¹⁷ Eligible organizations, including non-profits, medical providers, and Native Tribes and Corporations, were able to apply. Roughly \$30,000, appropriated by the Kenai Peninsula Borough Assembly, was available in 2022 and will be divided equally among the accepted grantees.¹⁸

Tracking Funds and Accountability

GACOR has recommended that its state share expenditures be publicly reported,¹⁹ but Administrative Order No. 324 contains no explicit promises to publicly report opioid settlement expenditures and does not offer any enforcement provisions for misspent funds.²⁰ This means that Alaska is merely subject to the national settlement agreements' bare-minimum mandate that only non-opioid remediation spending — a mere 15% — be eventually reported to the public.²¹

Engaging in the Process

- Keep track of legislative activity regarding the use of settlement monies, including appropriations and any efforts to establish standalone funding streams (as proposed in [SB 133](#)).
- Encourage the inclusion and uptake of perspectives from people with lived experience at GACOR meetings. Each meeting either opens or closes with testimony from people with lived experience, and Advisory Board on Alcoholism and Drug Abuse member Kara Nelson called for a designated seat on the Council for such a person.²²
- Attend and share what you learn from GACOR's quarterly meetings, during which GACOR is permitted to use teleconferencing or other electronic means to maximize participation.²³ Make sure that these sections of Administrative Order No. 324 are not just paying lip service to transparency and demand public access to GACOR's decision-making process.

Alaska



Engaging in the Process

(Continued)

- Look out for future public comment periods ahead of GACOR's annual reports. In 2022, the Alaska Mental Health Board (AMHB), the Advisory Board on Alcoholism and Drug Abuse (ABADA),²⁴ and GACOR solicited public comment.²⁵ You can also request to be added to GACOR's mailing list by emailing jennifer.weisshaupt@alaska.gov so that you are notified of GACOR's correspondence and receive invitations to its meetings.
- Watch for grant opportunities posted by participating political subdivisions²⁶ or by the state's cross-agency grant committee responsible for creating a process to distribute funds.²⁷

Additional Resources

ALASKA DEPARTMENT OF HEALTH

Opioids in Alaska

ALASKA ATTORNEY GENERAL

*Alaska Opioid Settlements and Opioid Crisis Update
(12/19/2022)*



References

Last updated April 25, 2023.

1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Alaska is also participating in several settlements that are likely to be finalized later this year, e.g., CVS, Walgreens, Walmart, Allergan, and Teva. See KHN's "[The Right to Know: Where Does Your State Stand on Public Reporting of Opioid Settlement Cash?](#)" interactive transparency map (located mid-article; click "Alaska" for state-specific participation information) and OpioidSettlementTracker.com's [Global Settlement Tracker](#) for more information.
2. While the Governor's Advisory Council on Opioid Remediation's (GACOR) [2022 recommendations](#) encompass only the Distributor and Janssen Settlements (see pgs. 1 and 5), the administrative order establishing GACOR simply refers to settlements with "several manufacturers and distributors" and leaves "opioid abatement funds" undefined. See Admin. Or. No. 324, *Background*. Note that many states' mechanisms for opioid settlement spending were designed to comply with the requirements of the [Distributor](#) and [Janssen](#) settlement agreements, which require (among other provisions) that a minimum of 85% of settlement funds be spent on opioid remediation expenditures. *Section V.B.1*. Subsequent settlements require varying thresholds of opioid remediation spend; the [CVS](#) and [Walgreens](#) agreements, for instance, require a minimum of 95.5% and 95% opioid remediation spending, respectively. *Section V.B.1*. Keep an eye out for the ways states will amend their spending mechanisms, if at all, to comply with subsequent settlement terms.
3. Note that Governor Mike Dunleavy requested the introduction of [legislation](#) in April 2023 to create the Opioid Settlement Investment Fund and the Opioid Remediation Fund. However, the state's first regular session for the 2023-2024 legislative cycle adjourned on May 17, 2023 without this bill passing. Watch for the legislature to reconvene for their second regular session in January 2024 and whether [SB 133](#) is revisited. See also [Legislature failed to pass bill that would turn opioid settlements into investment fund](#)
4. Note that there is a mismatch between Administrative Order 324 (effective October 1, 2021) and the subsequent reorganization of the Department of Health and Social Services (DHHS) through Executive Order 121, which became effective on March 19, 2022. E.O. 121 split DHHS into two distinct departments: the Department of Health and the Department of Family and Community Services. GACOR's 2022 recommendations indicate that the Council's annual recommendations are to be submitted to the Commissioner of the Department of Health.
5. See OpioidSettlementTracker.com's "[States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures](#)."
6. "The Governor's Advisory Council on Opioid Remediation [report](#) ... provides a framework for allocation of settlement funds for opioid remediation." [AG's 12/19/2022 press](#).
7. See AG's [Alaska Opioid Settlements and Opioid Crisis Update \(December 19, 2022\)](#)
8. GACOR's [Recommendations for the Use of Janssen/Johnson & Johnson \(J&J\) and Distributors National Opioid Settlement Funds](#) (November 1, 2022), pg. 6. See also AG's [3/1/2022 press](#).
9. A list of the voting and non-voting members may be found in GACOR's [2022 Recommendations](#).
10. "Aside from the ex-officio legislative members, the Governor's Advisory Council on Opioid Remediation shall consist of the following: One member who is the Director of Public Health or the director's designee, who will serve as the Chair of the Advisory Council; One member who is the Commissioner of the Department of Revenue or the commissioner's designee; One member who is the Chair of the Mental Health Trust Authority or the chair's designee; One member who is representative of the leadership of an organization that monitors health policy issues at the federal and state levels that affect Alaska Native people or their designee; Five members who are local government officials that collectively represent Alaska's geographically, economically, and demographically diverse municipalities." See [Admin. Or. No. 324, Composition and Officers of the Council](#).
11. See footnote 5.
12. Admin. Or. No. 324, *Duties and Responsibilities*.
13. Admin. Or. No. 324, *Duties and Responsibilities*.
14. GACOR's [2022 Recommendations](#), pg. 6.
15. [Legislature failed to pass bill that would turn opioid settlements into investment fund](#)
16. See, e.g., "[Assembly accepts 2nd round of opioid settlement funds](#)"
17. <https://kpb.legistar.com/LegislationDetail.aspx?ID=5564253&GUID=72E7A800-CCDF-4FCB-BB85-08BA54CBDBC9>



References

(Continued)

18. "The total funding available this current year is \$29,167.84 and has been appropriated by the assembly. It will be divided into equal parts by the number of accepted grantees who submit their applications to this program." [Kenai Peninsula Borough Mayor's Office: Opioid Settlement Fund Grant Program](#). See also "[Assembly accepts 2nd round of opioid settlement funds.](#)"
19. GACOR's [2022 Recommendations](#), pg. 8 includes "[c]reating a process for tracking funds and publicly reporting allocations online, including a published report of which entities receive funding and what it was used for."
20. See [OpioidSettlementTracker.com's "States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures."](#)
21. Section V.B.2 of the *Distributor* and *Janssen* settlement agreements. See also [OpioidSettlementTracker.com's "Most Settlement Agreements Do Not Require Public Reporting of Opioid Remediation Expenditures."](#)
22. [AMHB/ABADA Quarterly Board Meeting Minutes \(May 2022\)](#)
23. "The Advisory Council shall meet quarterly at a time and place determined by the Chair and at other times as the Chair considers necessary. The Advisory Council and its subcommittees may use teleconferencing and other electronic means, to the extent practicable, in order to gain maximum public participation at minimum cost." Admin Order No. 324, *General Provisions*.
24. See, e.g., [notice](#) for AMHB's and ABADA's public comment session re: GACOR's draft 2022 report and recommendations ("Public comment on the proposed plan will be limited to five minutes. AMHB/ABADA will take public comment and submit to the GACOR for consideration of the final plan. All participants will be asked to identify themselves for the record of the meeting").
25. See, e.g., [notice](#) for GACOR's public comment period re: GACOR's draft 2022 report and recommendations ("The council prioritizes hearing from all Alaskans on these recommendations and the process of opioid settlement allocation and distribution....After the public comment period ends, the council will review comments at its October council meeting, and include the comments and responses as an appendix to the report submitted to the Commissioner of the Department of Health.")
26. See, e.g., Kenai Peninsula Borough's [2022 Opioid Settlement Fund Grant Program](#).
27. "There is a cross-agency grant committee that will create the grant application and guidance, and they will distribute the funds annually to organizations that are focusing on prevention, harm reduction, treatment, and recovery." [AMHB/ABADA Quarterly Board Meeting Draft Minutes \(January 2023\)](#).