

Georgia



Total Funds

\$636 million¹

Allocation

75% to the state and 25% to participating local governments

Mechanism

Allocation agreement between the state and local governments ([State of Georgia and Local Governments: Memorandum of Understanding](#))²

Key Takeaways

Sheriffs. The MOU contains specific allowances for sheriffs. A percentage of local funds are set aside for sheriffs' use in certain counties,³ and regional advisory councils are required to include a seat for sheriffs in their planning.⁴ Sheriffs' use of settlement funds must be for Approved Purposes.⁵

Public reporting. The state must publish an annual report containing specific awarded amounts from its state share on its website alongside each regional advisory councils' annual expenditure reports.⁶

Background

The [State of Georgia and Local Governments: Memorandum of Understanding](#) (MOU) establishes a 75% to 25% allocation of opioid settlement funds between the state and local governments.⁷ Aside from funds set aside for administrative expenses and attorneys' fees,⁸ all funds, regardless of allocation, must be spent on "Approved Purposes."⁹ Approved purposes are defined in terms of the national settlement agreements' [Exhibit E](#),¹⁰ which outlines uses such as prevention, harm reduction, treatment, and recovery services. At least 70% of funds must be used for forward-looking approved purposes.¹¹

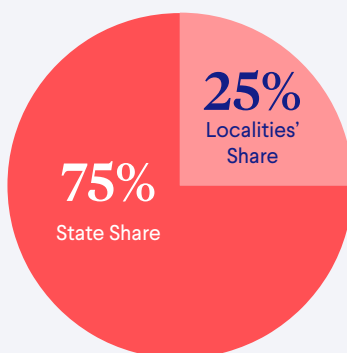
This resource is current as of 4/19/2023. For the most up-to-date information, please visit <https://www.opioidsettlementtracker.com/settlementspending>.



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Decision- Making Process

ALLOCATION OF SETTLEMENT FUNDS



75% STATE SHARE

The State Share consists of 75% of funds received from the Distributor and Janssen settlements.¹² Forty percent (40%) of the state's share of funds (i.e., 30% of total settlement funds) must be spent on a regional basis.¹³ Regional allocation percentages are determined by formula and will be recalculated every three years using severity metrics that account for the effects of the overdose crisis in the regions.¹⁴ The state has established 11 total regions: the [six regions](#) of the Georgia Department of Behavioral Health and Developmental Disabilities along with the City of Atlanta and the counties of Cobb, DeKalb, Fulton, and Gwinnett.¹⁵ These counties and the City of Atlanta will receive their "Regional Distributions" through a direct block grant after certifying that they have "sufficient infrastructure" to provide overdose abatement services.¹⁶

In regions with multiple participating local governments, participating local governments must form Regional Advisory Councils (RACs) to help determine the use of funds within a region.¹⁷ These RACs will contain three to seven members, not all of whom may reside in the same county. A RAC must contain a member from a participating county's board of health, an executive team member of a Community Service Board, and a sheriff's representative.¹⁸

A state advisory structure (referred to as the "Government Participation Mechanism" or "GPM" in the MOU) will make recommendations to the Trustee (a designated executive branch official) regarding use of the remaining 60% of the state's share (i.e., 45% of total settlement funds).¹⁹ The GPM must meet at least quarterly and make spending recommendations upon majority vote.²⁰ Appointees are required to have a background in opioid use disorder, addiction treatment or policy, public health policy, mental health treatment or policy, or opioid-related



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law enforcement, and at least one member must be appointed by the Georgia Association of Community Service Boards.²¹ The Trustee retains final authority over all distributions of the state's share of settlement funds,²² and the state must attempt to keep its administrative costs reasonable.²³

25% LOCALITIES' SHARE

The localities' share consists of 25% of funds received from the Distributor and Janssen settlements.²⁴ Fifteen percent (15%) of the localities' share is allocated to the Local Government Cost and Fee Fund (LGCFF) to cover attorneys' fees.²⁵ The remaining 85% of the localities' share is then allocated directly to participating local governments by formula according to the national agreements' [Exhibit G](#),²⁶ with a few county-level carve-outs for specific groups included as litigating subdivisions in [Exhibit C](#).²⁷

- For participating counties whose sheriffs are listed as litigating subdivisions, "at least 9.45%" is paid to the county's sheriff.²⁸
- For participating counties whose hospitals are included as litigating subdivisions, "at least 2%" is paid to the county's hospitals.²⁹
- For participating counties whose school districts are included as litigating subdivisions, "at least 1%" is paid to the county's school district.³⁰

Localities, sheriffs, hospitals, and school districts will likely use normal budgeting and decision-making processes to allocate settlement funds for Approved Purposes.

Tracking Funds and Accountability

- The state's Trustee, a "Commissioner of an agency of the Executive Branch of the State"³¹ or their designee, must publish an annual report containing specific awarded amounts from the state share on a state website alongside each Regional Advisory Councils' annual expenditure reports.³² The Trustee is also required to include an assessment of how effectively resources have been used by state and local governments and regions to "abate opioid addiction, overdose deaths, and the other consequences of the Opioid Crisis."³³
- The state and localities can hold each other responsible for misspent settlement funds.³⁴ However, the power to enforce the terms of Georgia's state-local agreement belongs only to the state and local governments themselves, not to non-profit organizations or community advocates.

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Engaging in the Process

- [HB 1321](#) (stalled in 2022) would have created a Georgia Opioid Crisis Abatement Trust and Opioid Recovery and Remediation Fund Advisory Council. Watch for future legislation that attempts to reintroduce the creation of a trust or council.
- Advocate for the meaningful inclusion of people with lived experience on both regional advisory councils and the state's advisory board (i.e., the "government participation mechanism").
- Check out Community Education Group's [Appalachia Opioid Remediation \(AOR\) Local Opioid Settlement Spending Database](#) and sign up for their AOR email alerts [here](#). CEG's AOR initiative provides opioid settlement spending updates from the 13 states of Appalachia.³⁵

Additional Resources

GEORGIA OFFICE OF THE ATTORNEY GENERAL

Key Issues - Opioid Abuse

Statewide Opioid Task Force

GEORGIA DEPARTMENT OF PUBLIC HEALTH

Multi-stakeholder Opioid & Substance Use Response Plan, 2018

GOVERNOR'S OFFICE OF PLANNING AND BUDGET, HEALTH AND STRATEGY COORDINATION

Opioid Settlement Agreements

SUBSTANCE ABUSE RESEARCH ALLIANCE AT THE GEORGIA PREVENTION PROJECT

Recommendations for Effective Use of Georgia Opioid Settlement Resources: A White Paper

GEORGIA BUDGET & POLICY INSTITUTE

Opioid Settlement Funding Presents Opportunity to Address Georgia's Drug Overdose Epidemic



References

Last updated April 19, 2023.

1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Georgia 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 "Georgia" for state-specific participation information) and OpioidSettlementTracker.com's [Global Settlement Tracker](#) for more information.
2. Georgia's MOU is limited by its definitions to the Distributor and Janssen Settlements (see MOU I.d and I.e). See also MOU VIII.A ("Nothing in this Memorandum of Understanding shall bind the parties concerning any future Opioid Settlements other than the ones expressly contemplated in (1) this Agreement or (2) any amendments to this Agreement made pursuant to Section IX.B"). An [October 2022 presentation](#) from the Governor's Office of Health Strategy and Coordination, however, anticipates how the state will treat Purdue settlement dollars ("While the Purdue Pharma settlement is ... still being negotiated, any funds received through it will be received by the Georgia Opioid Crisis Abatement Trust established for the national settlements"). 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. MOU III.a.i. The set aside for sheriffs applies to a county that is a participating local government and which has a sheriff who is a litigating subdivision listed in [Exhibit C](#) of the National Distributor Settlement. The set aside must be for at least 9.45% of settlement funds paid to the county.
4. MOU III.c.v.
5. MOU III.a.i.
6. MOU V.a and V.d.
7. MOU III.a, III.b.
8. 15% of local governments' 25% share finances the Local Government Cost and Fee Fund (LGCF) for attorneys' fees. MOU VII.c.
9. MOU IV.a.
10. MOU I.a.
11. MOU IV.b. Any funds used to reimburse past expenditures may not be spent on past Medicaid expenses or other expenses subject to federal clawback. *Id.*
12. MOU III.b.
13. MOU III.c. Georgia will be divided into regions decided by the state in consultation with local governments. MOU III.c.i. "Each county with a population of at least 400,000 persons ("Qualifying Block Grantee") shall be counted as a separate Region." MOU III.c.i.
14. MOU III.c.iv. These severity metrics are "(1) the number of fatal opioid overdoses within the Region; (2) non-addiction treatment morphine milligram equivalents (MME) shipped into the Region; and (3) addiction treatment MME shipped into the Region." MOU III.c.iv.
15. See Slide 10 of the Governor's Office of Health Strategy and Coordination's [October 2022 presentation](#).
16. MOU III.c.ii and III.c.iii.
17. MOU III.c.v-vi.
18. MOU III.c.v. See also the Governor's Office of Health Strategy and Coordination's [October 2022 presentation](#).
19. MOU II.c-e. See also Slide 12 of the Governor's Office of Health Strategy and Coordination's [October 2022 presentation](#).
20. MOU II.e.
21. MOU II.e. The state and local governments will have equal representation on the GPM. See Slide 13 of the Governor's Office of Health Strategy and Coordination's [October 2022 presentation](#).
22. MOU I.k and III.c.vi.
23. MOU V.c.
24. MOU III.a.
25. MOU VII.c.



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References

(Continued)

26. MOU III.a and [Distributor](#) Section V.D.4.C. The MOU also references Section VI of the *J&J Settlement*, an eight-page section that reiterates provisions of the *Distributor* agreement and describes the national settlement agreements' default scheme for the allocation and use of settlement funds, including the use of funds on [Exhibit E's](#) List of Opioid Remediation Uses.
27. MOU III.a.i-iii.
28. MOU III.a.i.
29. MOU III.a.ii.
30. MOU III.a.iii.
31. MOU I.k.
32. MOU V.a and V.d.
33. MOU V.a
34. MOU V.e-j.
35. AL, GA, KY, MD, MS, NY, NC, OH, PA, SC, TN, VA, WV.