



## Total Funds

\$78 million<sup>1</sup>

## Allocation

85% to the state and  
15% to local governments

## Mechanism

Allocation agreement between the state and local governments ([Memorandum of Agreement Between the State of Hawai'i and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation](#))

## Key Takeaways

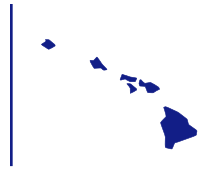
**Local monies directed by counties but spent by state.** The 15% localities' share is spent at the county level by the state, with most counties directing how the funds are spent.<sup>2</sup> Localities will also be able to offer input on a needs assessment conducted by the state.<sup>3</sup>

**Public reporting and enforcement.** The Hawai'i MOA does not include any requirements to publicly report opioid settlement expenditures or establish any enforcement provisions to protect against the misuse of settlement funds.<sup>4</sup>

## Background

The [Memorandum of Agreement Between the State of Hawai'i and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation](#) (MOA) establishes an 85% to 15% allocation of opioid settlement funds between the state and local governments.<sup>5</sup> Regardless of allocation, both the state and local government shares must be spent on "Opioid Remediation" such as prevention, harm reduction, treatment, and recovery services.<sup>6</sup> Of Hawai'i's settlement spending, 85% must be spent on opioid-related remediation, while 15% must be spent on remediation relating to other substances (i.e., non-opioid [Exhibit A](#) expenditures).<sup>7</sup>

*This resource is current as of 4/7/2023. For the most up-to-date information, please visit <https://www.opioidsettlementtracker.com/settlementspending>.*

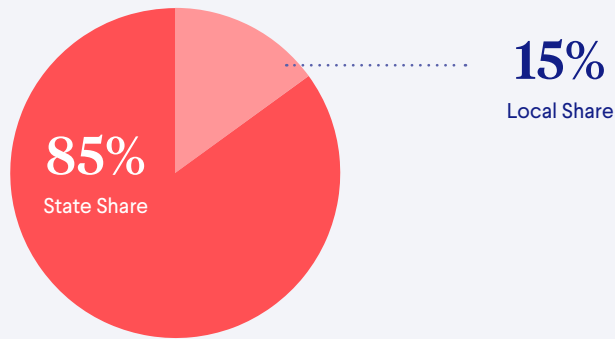


## Decision-Making Process

### PLANNING EXAMPLE

As Hawai'i counties plan for funds to arrive, the mayors of Maui and Honolulu said they planned to work with their county councils and underscored the importance of forging "community effort[s]" to ensure funds are spent wisely. Both thought it would be important to spend funds on treatment and education programs.<sup>16</sup>

### ALLOCATION OF SETTLEMENT FUNDS



#### 85% STATE SHARE

Hawai'i's state share will be spent on [Exhibit E](#) expenditures after consultation with the Advisory Committee.<sup>8</sup> It is likely the legislature and governor will use the normal budgeting and decision-making processes to allocate settlement funds. The Advisory Committee will include a representative from the mayor's offices of Hawai'i, Kaua'i, Maui, and Honolulu; representatives from the Departments of Health, Public Safety, and Education; and a representative from the University of Hawai'i Medical School.<sup>9</sup> Advisory Committee members serve two-year terms and "may" seek guidance from experts drawn from the private sector and government staff.<sup>10</sup> The MOU also requires the state to engage a private party to conduct a needs assessment regarding opioid remediation, and the needs assessment must consider feedback from local governments.<sup>11</sup>

#### 15% LOCAL SHARE

Hawai'i's local government share will be spent by the state at the local government level,<sup>12</sup> with funding allocated across the five counties:

- Hawai'i County, 18.2671692501%
- Kalawao County, 0.0034501514%
- Kaua'i County, 5.7006273580%
- Maui County, 13.9979969296%
- City and County of Honolulu, 62.0307563109%

The Counties of Hawai'i, Kaua'i, and Maui, and the County and City of Honolulu will direct how their shares are spent,<sup>13</sup> beyond the overarching stipulation that 85% of funds must be spent opioid remediation and 15% must be spent on remediation associated with other drugs.<sup>14</sup> All localities will be able to offer input as part of the needs assessment that the state will fund.<sup>15</sup>

# Hawai'i



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## Tracking Funds and Accountability

The [Hawai'i MOA](#) does not require public reporting of any opioid settlement expenditures and does not include any enforcement provisions for addressing the misuse of funds.<sup>17</sup>

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## Engaging in the Process

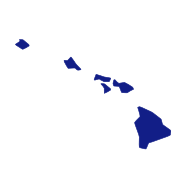
- The Advisory Committee may consult experts from the public and private sector in the fields of addiction, pain management, opioid remediation, and public health. Community members or organizations in these areas should consider making themselves available.
- Watch for the needs assessment to be released and call for opportunities for public participation. Current guidance does not require the assessment to integrate feedback from the public.
- Other states have promised to post their expenditures online and present annual spending reports at public meetings.<sup>18</sup> Encourage the Advisory Committee to implement similar methods to integrate community feedback.

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## Additional Resources

**HAWAI'I STATE DEPARTMENT OF HEALTH**  
*Hawai'i Opioid Initiative (HOI)*

**OTHER**  
*Hawai'i Health & Harm Reduction Center*



## References

*Last updated April 7, 2023.*

1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Hawai'i 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 "Hawai'i" for state-specific participation information) and OpioidSettlementTracker.com's [Global Settlement Tracker](#) for more information.
2. MOU B.2(b). The MOU does not enable Kalawao County to direct and determine how its share of settlement funds are spent.
3. MOU B.2(c).
4. See OpioidSettlementTracker.com's "[States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures.](#)"
5. MOU B.2. The definitions in the MOA specify that its terms are applicable to funds from the settlements with McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson. This is similar to many states' mechanisms for opioid settlement spending which 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 VB.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 VB.1*. Keep an eye out for the ways states will amend their spending mechanisms, if at all, to comply with subsequent settlement terms.
6. The MOU defines "Opioid Remediation" by reference to [Exhibit A](#), which is identical to the list of Approved Purposes in [Exhibit E](#) of the Distributor and Janssen Settlement Agreements.
7. MOU B.1.
8. MOU B.2(a).
9. MOU B.2(a)(i).
10. MOU B.2(a)(ii)-(iii).
11. MOU B.2(c).
12. MOU B.2(b).
13. MOU B.2(b).
14. MOU B.1. This list excludes Kalawao County, which is a judicial district of Maui County with no elected government. Kalawao had a population of 90 in 2013. See [https://www.oha.org/wp-content/uploads/RPT\\_Kalawao-County.pdf](https://www.oha.org/wp-content/uploads/RPT_Kalawao-County.pdf).
15. MOU B.2(c).
16. <https://apnews.com/article/health-Hawai-i-honolulu-david-ige-opioids-3b9d182ee0d136669391f72fa8f039dd>
17. See OpioidSettlementTracker.com's "[States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures.](#)"
18. See OpioidSettlementTracker.com's "[States' Initial Promises to Publicly Report Their Opioid Settlement Expenditures.](#)"