



New Jersey

Total Funds

**\$641
million¹**

Allocation

**50% to the state and 50% to
counties and municipalities**

Mechanism

**Memorandum of Agreement
Between the State of New
Jersey and Local Governments;
Executive Order**

Background

The allocation and use of opioid settlements funds in New Jersey is governed by a [memorandum of agreement](#) (MOA) between the state and local governments.² The MOA establishes “regions” of the state, each of which consists of a county and/or municipalities within a county. Each region must establish an advisory council to provide input, advice, and recommendations on the use of local governments’ settlement funds.¹ The MOA also requires local governments to use settlement funds for approved purposes and establishes recordkeeping and reporting requirements.

Additionally, on August 31, 2022, Governor Murphy issued [Executive Order 305](#), which designates the New Jersey Department of Human Services (“DHS”) as the lead agency for managing the state’s share of settlement funds and monitoring the use of settlement funds by local governments. The executive order also establishes an Opioid Recovery and Remediation Advisory Council (“State Advisory Council”) within DHS to inform proposal review, community engagement, and spending recommendations.

Decision-making Process

A **The state’s portion of the settlement fund is managed by the New Jersey Department of Human Services, in collaboration with the State Advisory Council.**

1. Members of the council: DHS Commissioner or designee (Chair); State Health Commissioner or designee; Commissioner of the Department of Children and Families or designee; the Attorney General or designee; and at least ten public members appointed by the Governor. The ten public members must include public health and policy experts and people with lived experience.

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Decision-making

Process

(continued)

2. The council must convene as often as requested by the Governor or DHS Commissioner and will remain in place until all the state's settlement proceeds have been spent.
3. The council will review and consider input and recommendations submitted through the New Jersey Opioid Settlement Portal.

B **Local variation: Each county must establish a County Advisory Council. The county agency that includes the County Alcoholism and Drug Abuse Director is the lead agency for consulting with the advisory council.**

1. Council required membership: a person possessing expertise in substance use disorder treatment or prevention; a person representing a provider of behavioral health or substance use disorder treatment in the community; a person with personal experience with substance use and addiction issues; the county prosecutor or their designee; a person authorized to appropriate funds on behalf of the county or their designee; persons authorized to appropriate funds on behalf of municipalities or their designees.
2. The advisory council can choose to add additional members (e.g., additional people with lived experience)

Engaging in the Process

1. Attend state, regional, and county advisory council meetings
2. Monitor and advocate around membership of the advisory councils (e.g., who are the public members with lived experience?)
3. Form coalitions to support advisory council members that represent individuals with lived experience
4. Submit input and recommendations each year through the state Opioid Settlement Portal (<https://www.nj.gov/opioidfunds/>)

Tracking Funds and Accountability

1. The state and local governments must use opioid-related settlement funds for approved purposes and cap administrative expenses at no more than 5%
2. At least once each year, the state and local governments must publicly report the amount of settlement funds they received, the amount of funds disbursed for approved purposes and/or administrative expenses, and the allocation of any funding awards – listing the recipient, amount awarded, program to be funded, and disbursement terms. The state will publish these reports on its website.
3. The use of opioid settlement funds is subject to oversight by the New Jersey State Comptroller, an independent state agency that seeks to ensure the proper use of public funds.

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Additional Resources

DOCUMENT

New Jersey Opioid Settlements

<https://www.nj.gov/opioidfunds/>

TRACKER

OpioidSettlement Tracker.com (national)

<https://www.opioidsettlementtracker.com/>

YOUTUBE VIDEO

Office Hours: Accessing Opioid Settlement Funding for Harm Reduction Programs with Christine Minhee

<https://www.youtube.com/watch?v=X7cWmhThEDc>

PRINCIPLES

Principles for the Use of Funds from the Opioid Litigation

<https://opioidprinciples.jhsph.edu/>

TOOLKIT

Opioid Settlement Toolkit for Community-Based Organizations

<https://www.social-current.org/reports/opioid-settlement-toolkit-community-based-organizations/>

WEBSITE

Opioid Solutions Center (National Association of Counties)

<https://www.naco.org/resources/opioid-solutions-center>

TOOLKIT

Organizing for Effective Advocacy, Chapters 30-35 of the Community Tool Box

<https://ctb.ku.edu/en/table-of-contents>

References

- 1 This total is limited to funds received from settlements with McKesson, Cardinal Health, Ameri-sourceBergen, and Johnson & Johnson. Additional money may be available through other settlement agreements.
- 2 The MOA applies to funds received through any settlement agreement or bankruptcy plan resolving claims against opioid manufacturers, distributors, or pharmacies related to the manufacture, marketing, distribution, or dispensing of opioids.
- 3 If a region includes a participating county, the region must have a County Advisory Council lead by the county department, division, or agency that includes the County Alcoholism and Drug Abuse Director. If a region does not include a participating county, the region must form a Regional Advisory Council from the participating municipalities in the region. The required makeup of either council is specified on in sections (C)(3) and (C)(4) of the MOA, located on page 4 here: <https://nationalopioid-settlement.com/wp-content/uploads/2022/04/NJ-State-Subdivision-Agreement.pdf>.