



New Mexico

Total Funds

\$195.5
million¹

Allocation

45% to the state, 55% to local
governments

Mechanism

New Mexico Opioid Allocation
Agreement²

Background

In New Mexico, the allocation and use of opioid settlement dollars are governed by an [Allocation Agreement](#) between the state and local governments. The Allocation Agreement directs 45% of funds to the state and 55% to local governments. The share of funds going to local governments is divided across Regions—a Region can take different forms, such as a single city or a county and the cities within it.³ The Allocation Agreement establishes the share of funds going to each Region. When a Region has more than one member, the members can collectively agree to have the funds dispersed in any manner they choose.

The Allocation Agreement also lays out some requirements around administration of funds and accountability safeguards. With the exception of funds directed toward the New Mexico Backstop Fund to cover local governments' attorney's fees in certain circumstances, 100% of the State share and Local Government share of settlement funds must go toward Opioid Related Expenditures. Opioid Related Expenditures must be consistent with the categories outlined in [Exhibit E](#) of the National Settlement Agreements.⁴ Exhibit E contains a set of Core Strategies for opioid remediation, such as increased naloxone or support for comprehensive syringe services programs, as well as other approved interventions, ranging from telehealth expansion to supporting mobile units that offer harm reduction services.

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Decision-making Process

1. The Allocation Agreement does not create a specific decision-making process for the kinds of strategies or projects that will receive settlement money, such as an advisory committee or other mechanism. However, it does require the state and its localities to negotiate to identify a settlement administrator. The administrator's role focuses on the logistics of receiving and distributing funds, not the projects or strategies that are funded.
2. Decision-making processes and structures may vary across Regions and local governments in the state. For example, in Rio Arriba County, state Attorney General Balderas announced the formation of a "Opiate Working Group" as a response to "opiate recovery dollars begin[ing] to flow through our communities."⁵

Engaging in the Process

1. Research and understand the process in your community, which may evolve over time. Attend meetings and provide feedback when local governments develop budgets or plans for allocation of the opioid settlement funds.
2. Where there is a lack of information or structure for allocation of the funds, community members and diverse stakeholders can push for more inclusive planning at both the state and local levels.
3. Form new or leverage existing coalitions that include people with lived experience to support advocacy for evidence-based strategies to reduce overdose and promote accountability. Develop and present an advocacy agenda to state and local governments.

Tracking Funds and Accountability

1. At the local level, a separate Local Government Abatement Fund must be created for opioid settlement dollars and these funds may not be comingled with other monies of a local government. The separate funds must be used for Opioid Related Expenditures (i.e., as listed in Exhibit E of the National Settlement). The Allocation Agreement also specifies that a local government's abatement funds "*may not* be expended for costs, disbursements, or payments made or incurred prior to the Settlement."⁶
2. New Mexico law provides for an annual audit of government finances. Under the Allocation Agreement, this will include an audit of the state's fund and each Local Government Fund to "provide reasonable assurances that the ... disbursements are consistent with the terms of [the Allocation Agreement]"⁷
3. If an audit shows spending inconsistent with the Allocation Agreement at either the state or local level, the state or local government must redirect an amount equal to the misspent total from another revenue source to an Opioid Related Expenditure. Future settlement funds may be withheld if the state or a local government fails to redirect funds.⁸

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Additional Resources

TRACKER

[OpioidSettlementTracker.com](https://www.opioidsettlementtracker.com)
(national)

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

TRIBAL RESOURCES

[Tribal Opioid Settlements](https://www.tribalopioidsettlements.com/)

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

WEBSITE

[Opioid Solutions Center](https://www.naco.org/resources/opioid-solutions-center)
(National Association of
Counties)

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

YOUTUBE VIDEO

[Office Hours: Accessing Opioid Settlement Funding for Harm Reduction Programs with Christine Minhee](https://www.youtube.com/watch?v=X7cWmhThEDc)

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

PRINCIPLES

[Principles for the Use of Funds from the Opioid Litigation](https://opioidprinciples.jhsphe.edu/)

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

TOOLKIT

[Opioid Settlement Toolkit for Community-Based Organizations](https://www.social-current.org/reports/opioid-settlement-toolkit-community-based-organizations/)

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

References

1. <https://www.nmag.gov/attorney-general-balderas-secures-nearly-200-million-for-new-mexico-and-communities-across-the-state-in-opioid-allocation-deal/>, Accessed November 2, 2022. Note that this total is limited to funds received from settlements with McKesson, Cardinal Health, AmerisourceBergen, and Johnson & Johnson. Additional money may be available through other settlement agreements.
2. <https://nationalopioidsettlement.com/wp-content/uploads/2022/03/2022.03.15-NEW-MEXICO-OPIOID-ALLOCATION-AGREEMENT.pdf>, Accessed November 2, 2022
3. “Region” consists of either: (1) a single Participating County that does not have any Participating Cities, (2) a single Participating County and all of its Participating Cities or (3) a single Participating City. Two or more Regions may at their discretion form a group (“Multicounty Region”). Regions that do not choose to form a Multicounty Region will be their own Region. See B(4) of the Allocation Agreement.
4. https://nationalopioidsettlement.com/wp-content/uploads/2022/03/Final_Distributor_Settlement_Agreement_3.25.22_Final.pdf, Accessed November 2, 2022. Exhibit E can be found on pages E1-E15/116-130.
5. <https://www.nmag.gov/ag-balderas-convenes-rio-arriba-opiate-working-group-to-attack-addiction/>, Accessed November 22, 2022.
6. <https://nationalopioidsettlement.com/wp-content/uploads/2022/03/2022.03.15-NEW-MEXICO-OPIOID-ALLOCATION-AGREEMENT.pdf> (see subsection C(2)). Accessed November 22, 2022. Emphasis added.
7. <https://nationalopioidsettlement.com/wp-content/uploads/2022/03/2022.03.15-NEW-MEXICO-OPIOID-ALLOCATION-AGREEMENT.pdf> (see subsection C(3)). Accessed November 22, 2022.
8. <https://nationalopioidsettlement.com/wp-content/uploads/2022/03/2022.03.15-NEW-MEXICO-OPIOID-ALLOCATION-AGREEMENT.pdf> (see subsection C(2)). Accessed November 22, 2022.