



Total Funds

\$329 million¹

Allocation

55% to participating subdivisions
and 45% to the state

Mechanism

Allocation agreement between
the state and local governments
([State of Oregon Subdivision
Agreement Regarding Distribution
and Use of Settlement Funds](#)),
legislation ([Oregon Law Ch. 63
Sec. 4-6](#))²

Key Takeaways

55-45 allocation. The [State of Oregon Subdivision Agreement Regarding Distribution and Use of Settlement Funds](#) (SSA) splits Oregon's opioid settlements fairly evenly between the state and participating subdivisions (45% to 55%).³ The state's portion of the funds sit in the legislatively-established Opioid Settlement Prevention, Treatment and Recovery Fund.⁴ The participating subdivisions share is allocated by formula and percentage allocations can be found in [Exhibit A](#) of the SSA.

Public reporting. The state must annually publish a written report on the use of Oregon Settlement Funds online and host a public meeting to discuss the report's contents.⁵ Oregon Settlement Funds include both state and local shares of funds,⁶ so localities' expenditure reports will be publicly available as well.⁷

Background

The [State of Oregon Subdivision Agreement Regarding Distribution and Use of Settlement Funds](#) (SSA) allocates 55% of opioid settlement funds to participating subdivisions and 45% of funds to the state.⁸ An [Oregon state law](#) also established the Opioid Settlement Prevention, Treatment and Recovery Fund to house the state share of settlement funds.⁹ The SSA requires state and local settlement funds be used for "Approved Abatement Uses" such as to expand prevention, harm reduction, treatment, and recovery services.¹⁰

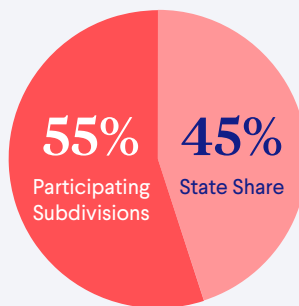
*This resource is current as
of 4/11/2023. For the most
up-to-date information,
please visit [https://www.
opioidsettlementtracker.com/
settlementspending](https://www.opioidsettlementtracker.com/settlementspending).*



Oregon

Decision-Making Process

ALLOCATION OF SETTLEMENT FUNDS



55% PARTICIPATING SUBDIVISIONS SHARE

The “OR Subdivision Funds” share is distributed to participating subdivisions according to [Exhibit A of the SSA](#).¹¹ Funds allocated to a participating city will generally be distributed to the city’s respective county, and the county is not required to spend such funds exclusively within that city.¹² However, a participating city may choose to receive its “Local Allocation” share directly.¹³ Subdivision funds must be spent on Approved Abatement Uses,¹⁴ except that 5% of funds may be spent on opioid-related administrative costs.¹⁵ Localities will use their normal budgeting and decision-making processes to expend these funds,¹⁶ and generally must allocate or spend settlement funds within five years or the funds will be transferred to the state.¹⁷

LOCAL PLANNING EXAMPLE

Researchers working for Clackamas County convened listening sessions with key stakeholders (healthcare providers, first responders, school administrators, and others) to understand which of the approved strategies from the national settlements’ [Exhibit E](#) were most in need of funding and to identify community priorities. The [findings](#) will inform how the funds are distributed. A Steering Committee was meant to begin dispersing funds in [early 2023](#).



Oregon

Decision- Making Process

(Continued)

45% – STATE SHARE

The state's 45% share of settlement funds sits in the Opioid Settlement Prevention, Treatment and Recovery Fund (Fund).¹⁸ These funds are continuously appropriated to the Oregon Health Authority (OHA),¹⁹ which is responsible for administering the [18-member Prevention, Treatment, and Recovery \(PTR\) Board](#)²⁰ that oversees the Fund.²¹ Unlike the "OR Subdivision Funds," PTR Board-overseen funds must only be spent on *future* statewide or regional Approved Abatement Uses.²² The PTR Board decides how to allocate the fund's monies across three categories:²³

1. Administrative expenses (capped at 5%);
2. A [statewide system](#) to collect, analyze, and publish data about the availability and efficacy of substance use prevention, treatment, and recovery services in the state; and
3. Statewide and regional programs that elaborate on [Exhibit E of the national settlements](#), including but not limited to the strategies highlighted in state law: for example, addressing the needs of pregnant and parenting people with opioid use disorders and strategies to prevent or reduce overdose deaths or other opioid-related harms.²⁴

In determining how to allocate the state's portion of the opioid settlement funds, the PTR Board is required to be "guided and informed" by the [2020–2025 Oregon Statewide Strategic Plan](#) from the [Alcohol and Drug Policy Commission](#), ongoing evaluation of the efficacy of funding allocations, evidence-based and evidence-informed strategies and best practices, public input, and equity considerations for underserved populations.²⁵ As one example of state spending, \$13 million was allocated to [Save Lives Oregon](#), a community group that acts as a clearinghouse, providing free harm reduction supplies to qualifying organizations that serve people who use drugs.²⁶

PTR BOARD

Oregon law provides details about the composition of the board and its decision-making rules.²⁷ The list of Board members may be found [here](#); most represent state or local governments or government agencies. One of the eighteen seats is reserved for an individual either with lived experience of substance use disorder or representing an organization that advocates on behalf of people with substance use disorders. All voting members of the Board are selected by the Governor, and the Governor is required to appoint an individual from a specific list of candidates for certain Board seats.²⁸



Tracking Funds and Accountability

- Each participating subdivision must annually report its expenditures to the state Department of Justice, and the report must certify that all funds were spent in compliance with the national settlement agreements.²⁹
- The state must annually publish a written report on the use of Oregon Settlement Funds and host a public meeting to discuss the report's contents.³⁰ The state's report should include descriptions of subdivision spending.³¹
- The state and participating subdivisions can hold each other responsible for misspent settlement funds by requesting an audit from the Oregon Secretary of State.³² They may also request enforcement of the state-subdivision agreement in court.³³ These rights are limited to the state and participating local governments; non-profit organizations and community advocates do not have the power to enforce the terms of the agreement.

Engaging in the Process

- Attend the [PTR Board's](#) annual public meeting to discuss the contents of its annual report, which will contain descriptions of the state's and participating subdivisions' opioid remediation activities.³⁴
- The PTR Board must meet at least four times per year, and the meetings must be "publicized to facilitate attendance."³⁵ The meetings also must integrate community testimony and input.³⁶ In practice, the PTR Board meets monthly. Meeting dates, agendas, and call-in information are available on its [website](#). Scan agendas for information about how the PTR Board plans to allocate its funds; a [timeline](#) on the website indicates that funds will be dispersed after May 2023. Encourage the PTR Board to prioritize the perspectives of people with lived experience at these meetings.
- The PTR Board is tasked with creating a process for the public to offer written comments and proposals at its meetings.³⁷ Submit a letter or statement to the PTR Board by emailing Lisa.m.shields@dhsosha.state.or.us.
- [Save Lives Oregon](#) received \$13 million from the state's portion of opioid settlement funds.³⁸ If you are connected to an organization that serves people who use drugs, [apply](#) to receive free harm reduction supplies for qualifying groups.



Additional Resources

PTR BOARD

Oregon's Opioid Settlement Prevention, Treatment and Recovery (PTR) Board

Board Timeline

OREGON HEALTH AUTHORITY

Oregon Opioid Settlement Update (October 2022)

Prescribing and Drug Overdose Data Dashboard

HB 4098 Fact Sheet

OREGON ALCOHOL AND DRUG POLICY COMMISSION

2020 - 2025 Statewide Strategic Plan



References

Last updated April 11, 2023.

1. From settlements with distributors McKesson, AmerisourceBergen, Cardinal Health and manufacturer Johnson & Johnson only. Oregon 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 "Oregon" for state-specific participation information) and OpioidSettlementTracker.com's [Global Settlement Tracker](#) for more information.
2. Neither Oregon's allocation agreement nor its state law establishing the Opioid Settlement Prevention, Treatment and Recovery Fund are limited by their definitions to the Distributor and Janssen Settlements. See SSA 8 ("Applicability") and Oregon Law Ch. 63 Sec. 5(1)(a)-(c). 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. SSA 4(a).
4. Ch. 63 Sec. 5(1).
5. SSA 5(d),(f). See also [Oregon Opioid Settlement Funds](#).
6. SSA 4(a).
7. SSA 4(a), 5(d).
8. SSA 4(a).
9. Oregon Law Ch. 63 Sec. 5(1).
10. SSA 2(e). The SSA incorporates the approved uses in [Exhibit E](#) of the Distributor and Janssen Settlement Agreements.
11. SSA 4(c)(i). The City of Portland automatically receives direct payment. SSA 4(c)(iv).
12. "A Local Allocation share allocated to a city but paid to a county is not required to be spent exclusively for abatement activities in that city, but will become part of the county's share of the CA Abatement Accounts Funds, which will be used in accordance with Section 4.B.ii (Use of CA Abatement Accounts Funds) and reported on in accordance with Section 4.B.iii (CA Abatement Accounts Fund Oversight)." SSA a(c)(iii).
13. At least 60 days prior to a payment date, per SSA 4(c)(iv).
14. SSA 4(c)(vii).
15. SSA 4(e)(i).
16. SSA 4(c)(ix).
17. SSA 4(c)(vi). Subdivision funds designated to support capital outlay projects must be expended or encumbered within seven years of receipt.
18. SSA 4(b)(i)(1).
19. OR Law Ch. 63 Sec. 5(2).
20. OR Law Ch. 63 Sec. 6(1).
21. OR Law Ch. 63 Sec. 6(1).
22. SSA 4(b)(i)(1)(iii).
23. SSA 4(b)(i)(1)(i)-(iii)
24. OR Law Ch. 63 Sec. 6(6)(c)(E), Sec. 6(6)(c)(F), Sec. 6(6)(c)(I), Sec. 6(6)(c)(J).
25. OR Law Ch. 63 Sec. 6(6)(d)(A)-(F).
26. "[Oregon Opioid Settlement Board approves \\$17 million to fight addiction crisis](#)"
27. OR Law Ch. 63 Sec. 6(1)-(4).
28. See OR Law Ch. 63 Sec. 6(1).
29. SSA 5(a).
30. "The State will prepare an annual written report regarding the use of Oregon Settlement Funds until those funds are fully expended and for one year thereafter. These reports will be made publicly available by the State." SSA 5(d). "In each year in which the State prepares an annual report the State will also host a public meeting to discuss the annual report." SSA 5(f).
31. This is because the report must cover the use of "Oregon Settlement Funds" and "Oregon Settlement Funds" refers to the pre-allocation entirety of the state's and subdivisions' entitlement from the national settlement agreements. SSA 4(a), 5(d).

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References

(Continued)

32. SSA 6(a).
33. SSA 10(a).
34. SSA 5(f).
35. 35OR Law Ch. 63 Sec. 6(5)
36. OR Law Ch. 63 Sec. 6(5).
37. OR Law Ch. 63 Sec. 6(5).
38. ["Opioid Settlement Board approves \\$17M for new data system, harm reduction."](#)