

Opioid Abatement Settlement Funds

City of McKinney, Texas

Financial Services
Mark Holloway



Opioid Settlement

- The State of Texas and a broad coalition of states and subdivisions have reached final agreements with pharmaceutical and manufacturing companies to resolve legal claims against them for their role in the opioid crisis.
- The opioid crisis has harmed Texas communities, in 2020 drug overdose deaths increased by 31.9%, driven primarily by opioid overdose deaths.
- As part of Senate Bill 1827 passed by the Texas Legislature in 2021, the Opioid Abatement Trust Fund was established to receive opioid abatement litigation settlement proceeds and to make distributions to Trust Fund recipients which include the State of Texas and its cities and counties (subdivisions).



Opioid Settlement Funds

- Pharma has 18 years to fund the settlements
- Participating cities and counties are eligible for two types of funding:
 - Subdivision Direct Share
 - McKinney awarded \$450,383
 - To date have received \$141,385
 - Timing for remaining payments is unknown (0-18years)
 - Texas Opioid Abatement Fund Council
 - Grant application process to be awarded by region
 - Region 18 - allocated \$39,787,684
 - Collin, Denton, Grayson, Rockwall



Opioid Settlement Approved Uses

- Treatment of Opioid Use Disorders and any co-occurring Substance Use Disorder or Mental Health.
- Increase distribution of medication(s) to reverse overdose to uninsured individuals or whose insurance does not cover needed service.
- Training for first responders, schools, community support groups and families.
- Addressing the needs of pregnant or parenting women and their families.
- Prevention of over-prescribing and ensure appropriate prescribing and dispensing of opioids.

Staff Recommendation: Include Opioid Abatement in the City's existing Community Support Grant program to fund community organizations providing services to those in need.

