



AGENDA ITEMS #: #21-81
COUNCIL MTG OF: July 20, 2021
FROM: David Caron, Town Administrator
OFFERED BY: Administration
PREPARED BY: Administration
SUBJECT: Creation of the Opioid Mitigation and Response Expendable Trust Fund and Accept Funding.

STAFF REPORT
Public Hearing 8-24-21

PURPOSE: To request Town Council creation of the Opioid Mitigation Expendable Trust Fund to manage revenues from legal settlements and judgments. Also, to accept \$6,961.23 from the State of New Hampshire related to this matter.

TOWN ADMINISTRATOR COMMENTS: Please see comments within this staff report.

BACKGROUND:

The Town of Derry became involved in a national consortium in 2018 to seek reimbursement for expenses incurred and anticipated expenses associated with the opioid epidemic. The consortium, which consist of hundreds of communities nationwide and includes the New Hampshire communities of Derry, Londonderry, Franklin and Laconia among others, have filed suit against various opioid manufacturers and distributors who have contributed to the crisis which has cost countless dollars in social service costs, medical costs, public safety response costs and lost productivity to the economy. The New Hampshire communities are represented locally by Tom Colantuono and Jim Bianco who have partnered with several national law firms.

DISCUSSION:

Many of the lawsuits have been consolidated into the Northern District of Ohio and are in settlement talks or approaching litigation. It is expected that a number of the suits will be settled after the Courts granted multi-jurisdictional and class action status, which means that all municipalities will share in any judgments or lawsuits. As states became involved in the litigation, an unanswered question remains whether localities will be preempted from recovering damages.

One such result of this process is legislative adoption of Opioid Abatement Trust Fund (RSA 126-A:83 – 86) which provides a framework for the receipt of the funds and outlines the potential uses. Included in that statute is a provision whereby municipalities and counties which were part of litigation in the northern district of Ohio will share 15% of the proceeds from any settlement with the State of New Hampshire. It is from this source which the Council is requested to authorize the acceptance of \$6,961.23. Resolution #2021-051 lists the potential applications of these funds.

FISCAL IMPACT:

It is unclear as to the potential amount of funds which may accrue to the Town of Derry. It is equally unclear whether the State of New Hampshire will attempt to pre-empt local involvement in all litigation and thus restrict reimbursements back to the Town to a de minimis amount. Attorney Colantuono is currently working on this issue.

RECOMMENDED MOTION:

Please see Resolution. 2021-050 (Please read Resolution).

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