



**MEMO FROM COUNCIL OFFICE ON
(Updated March 31, 2023)**

Appropriation Ordinance 23-01 - To Specially appropriate the Current Balance of the Opioid Settlement Fund to Help Address the Impacts of the Opioid Crisis on City and County Residents

Synopsis

This ordinance appropriates \$391,906 of opioid settlement funds for the purpose of making grants in 2023 to community organizations assisting residents of Bloomington experiencing negative impacts from the opioid crisis.

Relevant Materials

- Appropriation Ordinance 23-01
- Memo from Beverly Calender-Anderson, Director of Community and Family Resources Department
- Distributor Settlement Agreement Exhibit E

Summary

Appropriation Ordinance 23-01 proposes an additional appropriation for 2023 out of two funds created to hold and account for money received as part of a settlement agreement related to a national, multidistrict litigation action against certain opioid manufacturers and distributors. The State of Indiana has published information related to this opioid settlement and litigation at the following webpage:

<https://www.in.gov/attorneygeneral/about-the-office/complex-litigation/opioid-settlement/>.

In 2022, the City of Bloomington adopted Resolution 22-08 in order to opt into the state-run settlement process after updated settlement terms made the process more favorable to local units of government. The city now receives and holds money distributed by the state in two funds – an Opioid Settlement Unrestricted Fund and an Opioid Settlement Restricted Fund. Under IC 4-6-15-4, 70% of local government settlement funds are designated for programs of treatment, prevention, and care that are considered “best practices”, while 30% of local government settlement funds are unrestricted. Included in this packet is a Distributor Settlement Agreement exhibit that provides more information on the types of treatment, prevention, and care programs that are considered best practices.

The city administration and Community and Family Resources Department (CFRD) are proposing to utilize the 2022 settlement payments as follows:



City of Bloomington Indiana

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- \$70,500 to supplement CFRD's [Downtown Outreach Grant program](#);
- \$100,000 to go toward a pledge the city made as part of a [matching grant](#) available through the Division of Mental Health and Addiction of the Family and Social Services Administration (awards for this grant are pending – additional details are included in the memo provided by Beverly Calender-Anderson, CFRD Director); and
- \$221,406 to remain in CFRD's budget category 3 to make additional grants in 2023 to community organizations assisting residents of Bloomington experiencing negative impacts from the opioid crisis.

This would appropriate the entirety of settlement funds received for 2022. Additional settlement funds will be paid to the city through 2038. Distribution estimates for all participating political subdivisions, including Bloomington, can be viewed in spreadsheet provided by the State here: <https://www.in.gov/attorneygeneral/files/Opioids-Estimated-Payments-Revised-10-18-2022.xlsx>.

[Indiana Code 36-4-7-8](#) provides that the legislative body may, on the recommendation of the city executive, make further or additional appropriations by ordinance, as long as the result does not increase the city's tax levy that was set as part of the annual budgeting process. The additional appropriation requested by [Appropriation Ordinance 23-01](#) should not result in such an increase to the city's tax levy. Please note that a public notice of the proposed additional appropriation has been published pursuant to [Indiana Code 6-1.1-18-5](#) and that the Council must conduct a public hearing (scheduled for April 4, 2023) on the proposal before adoption.

Contact

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