

AARON M. FREY
ATTORNEY GENERAL



STATE OF MAINE
OFFICE OF THE ATTORNEY GENERAL
6 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0006

REGIONAL OFFICES
84 HARLOW ST. 2ND FLOOR
BANGOR, MAINE 04401
TEL: (207) 941-3070
FAX: (207) 941-3075

125 PRESUMPSCOT ST., SUITE 26
PORTLAND, MAINE 04103
TEL: (207) 822-0260
FAX: (207) 822-0259

14 ACCESS HIGHWAY, STE. 1
CARIBOU, MAINE 04736
TEL: (207) 496-3792
FAX: (207) 496-3291

TEL: (207) 626-8800
TTY USERS CALL MAINE RELAY 711

February 1, 2024

Senator Joseph Baldacci, Chair
Representative Michele Meyer, Chair
Joint Standing Committee on Health and Human Services
100 State House Station
Augusta, ME 04333-0100

RE: Opioid Litigation Settlements and the Maine Recovery Fund

Dear Senator Baldacci and Representative Meyer:

This letter is to report to you about the activities of the Maine Recovery Fund to address statewide needs for abating the opioid crisis in Maine.

5 M.R.S. § 203-C (5) provides that the Attorney General shall report to the Committee about the activities of the Fund each year by February 1st. The report is to provide information about 1) the activities of the Maine Recovery Council; 2) the status of the Fund; 3) disbursements from the Fund; and 4) the outcomes of funded activities.

Two weeks ago, on January 17, 2024 the Committee asked me and the Recovery Council to attend its meeting and report about the status of opioid settlement funds. The Council's Chair, Pat Kimball, attended and reported at length about the Council's work and activities. The Committee also had the opportunity to ask questions of Chair Kimball and to hear her responses. Prior to Chair Kimball's comments at the meeting, I reported to you on December 8, 2023 about the status of the Recovery Fund, and I attach that report here for your convenience.

At its January 17th meeting Chair Kimball provided the Committee an in-depth report about the Council's work, so I will not attempt to recreate it here. However, in addition to my recent reports to the Legislature and this Committee, I will highlight some information about the Council's work that you heard about in that meeting.

First, Chair Kimball discussed the additional people the Council brought in to help focus and speed the Council's work. Its expert consultant worked with the Council to analyze and present data about the state of Maine's opioid crisis, to identify what the need is and where it is in Maine. It is my understanding that Chair Kimball provided to the Committee the results of that analysis.

The Council also retained a contractor as its Coordinator, whose projects include working directly with the Council members to conduct research, such as abatement spending by other state, county, city and town entities throughout Maine and how abatement councils in other states are putting in place procedures to distribute funds in their communities. The Coordinator is also working with Council members to develop a model application and key elements of the Council's grant contracts.

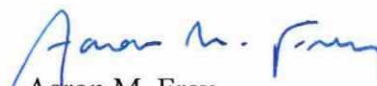
Second, the Council took additional steps to speed up its work, most significantly by establishing key committees in its Finance Committee, which established the Council's budget, and its Program and Grants Committee. The latter committee met frequently between full Council meetings, to develop, with the assistance of its expert consultant, recommendations for the Council for its first batch of abatement spending. This work culminated in a spending plan adopted by the Council of over \$9 million, summarized in a chart which I attach to this report and which is available on the Council's website.

Third, in developing its spending plan, the Council has been conscious of its challenges in developing the infrastructure and procedures to distribute these grants. While working in parallel on that infrastructure, the Council decided to explore using existing state processes to get most of these initial funds out, to save time and resources, and is hard at that work so these payments may be sent out to communities throughout Maine as quickly as possible. Key Council members, along with its Coordinator, are diligently engaging with relevant state agencies, and the Program and Grants Committee, led by Joseph Everett, President and CEO of the Opportunity Alliance, meets next week with agency representatives to continue working through these logistics.

Finally, regarding the status of the Recovery Fund, its value as of December 31, 2023 is just under \$17.8 million. This is an increase since my December 8th report and represents interest earned by the Fund being identified and attributed to the Fund, thanks to the work and attention of the Council's Treasurer, DHHS Deputy Commissioner for Finance Benjamin Mann. Furthermore, we anticipate additional settlement funds will be distributed to Maine and the Fund in the coming months.

Staff in my office are working diligently to support the Council's critical efforts to get its \$9 million spending plan out to communities. As the Committee is aware, additional information about the Council's work may be found at www.maine.gov/ag/recovery-council, and information generally about opioid-related settlement and bankruptcy funds, and information for communities throughout Maine about how to use abatement funds, may be found at my office's website: www.maine.gov/ag/opioids.

Sincerely,


Aaron M. Frey
Attorney General