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CITY OF AMESBURY, MA



**CITY OF AMESBURY
IN THE YEAR TWO THOUSAND TWENTY-FOUR**

SPONSORED BY: Kassandra Gove **BILL No. 2024-014**
Kassandra Gove, Mayor

An Order to create an Opioid Settlement Special Revenue Fund and to appropriate \$114,123.63 from Free Cash to said Fund to be expended in accordance with the Massachusetts State-Subdivision for Statewide Opioid Settlement Fund.

Summary: This order requests an appropriation of Free Cash to the Opioid Settlement Special Revenue Fund to expend funds in accordance with the Massachusetts State-Subdivision for Statewide Opioid Settlement Fund. These funds are to be used to supplement and strengthen resources available to communities and families for substance use disorder prevention, harm reduction, treatment, and recovery. The requested appropriation has already been received by the City of Amesbury and has been certified as part of Free Cash.

Be it Ordered by the City Council of the City of Amesbury assembled, and by the authority of the same as follows:

That an Opioid Settlement Special Revenue Fund is hereby created and \$114,123.63 from Free Cash is hereby appropriated to said Fund to be expended in accordance with the Massachusetts State-Subdivision for Statewide Opioid Settlement Fund.



Bulletin

BUL-2023-7

G.L. c. 44, § 53 Clause 4: Opioid Settlement Receipts

TO: Local Officials
FROM: Deborah A. Wagner, Director of Accounts
DATE: December 2023

This guidance supersedes BUL-2023-6 and the July 7, 2022 edition of *City and Town, Ask DLS: Treatment of Opioid Settlement Payments*.

On December 4, 2023, Governor Healey signed [Chapter 77 of the Acts of 2023](#), Section 9 of which provides, in part, for the following exception to the general rule that all receipts are to be recorded as general fund revenue per [G.L. c. 44, § 53](#):

“(4) non-recurring, unanticipated sums received by multiple cities, towns or districts and not otherwise provided for by general or special law, may, upon the approval of the director of accounts, be expended at the direction of the chief executive officer without further appropriation only for the singular purpose for which the monies were received” (emphasis added)

The Director of Accounts has determined that cities and towns that have received or will receive funds in Fiscal Year 2024, or thereafter, pursuant to settlement agreements entered into by the Commonwealth with opioid distributors and opioid-makers for prevention, harm reduction, treatment, and recovery, may place said funds into a special revenue fund. The proceeds can then be expended, without further appropriation, at the direction of the chief executive officer only for the purpose identified in said settlement agreements.

Section 197 of the Act further allows a community to consolidate all monies previously received for this purpose into the special revenue fund, mentioned above, in the following ways.

1. If prior year settlement funds have not otherwise been reserved (i.e., dedicated to a stabilization fund) or become part of certified free cash, then those funds may be placed directly into the special revenue fund.
2. If already dedicated to a stabilization fund, said dedication can be revoked at any time by vote of the legislative body. Upon revocation, all statewide opioid settlement receipts previously received may be placed in the special revenue fund.
3. If a community has settlement funds in a stabilization fund but did not dedicate future settlement receipts, the money currently in stabilization can be placed directly into the special revenue fund.

In the case of #2 or #3 above, once funds are moved from the stabilization fund, by virtue of having no remaining balance the stabilization fund can be removed from the balance sheet.

4. Settlement funds that have become part of free cash may be appropriated into the special revenue fund by vote of the community's legislative body.

Once placed in the special revenue fund, monies can be spent without further appropriation for purpose identified in the settlement agreements. Any interest belongs to the general fund.

The transfers of funds, noted in #1-#4 above, represent a limited ability to consolidate previously received opioid settlement monies into the newly allowed special revenue fund. These transfers are permitted only for this express purpose and should not be considered a general change to how monies are otherwise accounted for under the General Laws.

If you have any further questions, please contact your BOA field representative.
