

EXECUTIVE ORDER NO.305

WHEREAS, the opioid epidemic has caused profound harm to the residents of New Jersey; and

WHEREAS, the number of suspected overdose-related deaths in New Jersey nearly doubled from 1,587 in 2015 to 3,006 in 2018, and has stayed around 3,000 every year since that time; and

WHEREAS, in the first seven months of 2022 alone, there have been 1,699 suspected overdose-related deaths and 7,959 administrations of the lifesaving drug Naloxone by law enforcement and Emergency Medical Services; and

WHEREAS, my Administration has dedicated hundreds of millions of dollars to addressing the opioid epidemic and its impacts in New Jersey; and

WHEREAS, New Jersey is dedicated to ending the opioid epidemic through a collaborative, inter-departmental, and data-driven strategy; with goals including increasing access to evidence-based prevention and treatment programs at the community level, supporting individuals on their path to and maintenance of recovery, reducing harm to people who use drugs and their loved ones, supporting data-driven work and strengthening system-wide infrastructure, and using robust law enforcement to stem the supply of illicit drugs and oversee innovative law enforcement-led programs that aim to divert or deflect individuals from the criminal justice system to public health services; and

WHEREAS, the State's approach to battling the opioid crisis must continue to be informed by individuals and communities who have experienced it firsthand, including those who have or whose family members have struggled with substance use disorder and opioid use disorder and those who work in the fields of addiction treatment, prevention, and recovery; and

WHEREAS, in July 2021, I signed six bills dedicated to ending the opioid epidemic in New Jersey, including bills to expand low-barrier access to Naloxone, build bridges to medication-assisted treatment, strengthen public health data, and increase resiliency among children and families impacted by the opioid crisis; and

WHEREAS, in January 2022, I signed three more bills aimed at expanding harm reduction efforts and furthering the State's commitment to ending the opioid epidemic, including a bill establishing local drug overdose fatality review teams; and

WHEREAS, Johnson & Johnson and McKesson, Cardinal, and Amerisource-Bergen have entered into nationwide settlement agreements relating to their contributions to the opioid crisis and, as part of the settlement agreements, will pay the State of New Jersey and eligible counties and municipalities a combined \$641 million over the next 18 years, which will be divided among the State and its eligible counties and municipalities; and

WHEREAS, the State has reached and may in the future reach additional national opioid litigation resolutions with other companies and individuals relating to their contributions to the opioid crisis; and

WHEREAS, on June 30, 2022, the Office of the Attorney General announced that the State and its counties and municipalities are expected to receive approximately \$30 million over time as a result of the bankruptcy of Mallinckrodt PLC, in connection with their opioid-related claims against the company; and

WHEREAS, on August 22, 2022, the Office of the Attorney General announced an additional nationwide settlement with Endo International PLC and its lenders, which is expected to provide some portion of a \$450 million national opioid litigation resolution to New Jersey and its counties and municipalities; and

WHEREAS, funds obtained by the State in national opioid litigation resolutions will be used to further the goals of preventing opioid misuse, addiction, and overdose deaths; providing assistance, treatment, and recovery support to individuals and communities affected by the opioid crisis; developing wraparound supports and connections to care for individuals with substance and opioid use disorders; and expanding harm reduction efforts; and

WHEREAS, certain national opioid litigation resolutions require the State to designate a lead agency for purposes relating to implementation of these resolutions, such as coordination, reporting, and public disclosure of expenditures and communication with the settlement administrator; and

WHEREAS, the State today is launching an online portal that will enable members of the public to provide recommendations on the expenditure of proceeds from national opioid litigation resolutions for an initial comment period and from time to time thereafter; and

WHEREAS, forming an Opioid Recovery and Remediation Advisory Council to consider proposals, develop best practices, and inform deployment of settlement funds is contemplated by the national opioid litigation resolutions with Johnson & Johnson and McKesson, Cardinal, and Amerisource-Bergen; and

WHEREAS, New Jersey has entered into a separate Memorandum of Agreement with participating counties and municipalities that requires each county to establish a county advisory council to provide input, advice, and recommendations on the disbursement of the county's share of the recovery and of the shares of its participating municipalities; and

WHEREAS, the State finds stakeholder collaboration through an advisory council to be critical to effective distribution of proceeds from national opioid litigation resolutions at the State level as well as at the county and municipal levels; and

WHEREAS, the State remains steadfast in its commitment to ending the opioid epidemic; supporting those affected by it and fighting it; and accomplishing these goals by distributing proceeds from national opioid litigation resolutions efficiently and equitably;

NOW, THEREFORE, I, PHILIP D. MURPHY, Governor of the State of New Jersey, by virtue of the authority vested in me by the Constitution and by the Statutes of this State, do hereby ORDER and DIRECT:

1. The Department of Human Services ("DHS") is hereby designated as the lead agency for the State for purposes of directing the disbursement and allocation of the State's proceeds from national opioid litigation resolutions; for monitoring the use of moneys disbursed to counties or municipalities under national opioid litigation resolutions; and performing the various reporting, compliance, administrative functions and other obligations imposed upon the State pursuant to the terms and conditions of national opioid litigation resolutions.

2. There is hereby established in DHS the Opioid Recovery and Remediation Advisory Council (the "Advisory Council"). The Advisory Council, which shall be wholly advisory in nature, shall be chaired by the Commissioner of DHS or the Commissioner's designee.

3. In addition to the Commissioner of the DHS, the Advisory Council's membership shall consist of the Commissioner of the Department of Health, the Commissioner of the Department of

Children and Families, and the Attorney General, or their designees, as well as at least ten public members appointed by the Governor. The ten public members shall reflect the diversity of New Jersey and shall include public health and policy experts; as well as people with lived experience from the opioid epidemic, including those with a substance use disorder or a history of opioid misuse or addiction, and loved ones of those with a substance use disorder or a history of opioid misuse or addiction.

4. The Governor may, as determined to be appropriate, appoint additional public and ex officio members to the Advisory Council. All members of the Advisory Council shall serve at the pleasure of the Governor and shall serve without compensation.

5. The Advisory Council shall organize as soon as practicable after the appointment of its members and shall convene at least as often as requested by the Governor or the Chairperson.

6. The purpose of the Advisory Council shall be to review proposals, data, and analysis and engage with stakeholders and community members to develop and provide recommendations on the allocation and distribution of the State's share of proceeds from national opioid litigation resolutions.

7. To effectuate this purpose, the Advisory Council shall, to the extent not inconsistent with law:

- a. Gather and evaluate data regarding the availability of, gaps in, and barriers to substance use disorder prevention and treatment programs and recovery services;
- b. Solicit feedback, in a manner and method established by the Advisory Council, from stakeholders, local providers, advocates, those with lived experience with opioid use, the academic

community, and other subject matter experts and evaluators, community groups, and other members of the public regarding the services needed to prevent and treat substance use and opioid use disorders across the State;

- c. Review and evaluate recommendations submitted by the public via the online portal launched on August 31, 2022;
- d. Evaluate approaches taken by New Jersey and other states in administering proceeds from national opioid litigation resolutions; and
- e. Take any other measures deemed appropriate by the Advisory Council to inform its recommendations, with the purpose of promoting the equitable and efficient distribution of funds including through evidence-based or evidence-informed practices or strategies.

8. The Advisory Council shall provide information, advice, and general recommendations consistent with its purpose to the Governor, DHS, and other Executive Branch departments and agencies.

9. The Advisory Council shall remain operational until no later than six months after all proceeds from national opioid litigation resolutions have been expended and DHS's final report pursuant to such resolutions has been issued, at which time the Advisory Council shall disband.

10. The Advisory Council may, but is not required to, provide information and general recommendations to New Jersey counties and municipalities on the expenditure of the share of proceeds from national opioid litigation resolutions allocated to those entities

and may coordinate with any similarly situated County Advisory Council as determined by the Chairperson to be appropriate.

11. DHS shall provide such staff and administrative support to the Advisory Council as it requires to carry out its responsibilities. The Advisory Council is authorized to call upon any Executive Branch department or agency to supply it with information or other assistance available to such agency as the Advisory Council determines to be necessary to discharge its duties under this Order. Each Executive Branch department and agency is hereby required, to the extent not inconsistent with law, to cooperate fully with the Advisory Council and to furnish such assistance on as timely a basis as is necessary to accomplish the purpose of this Order. The Advisory Council may consult with experts and other knowledgeable individuals in the public or private sector on any aspect of its mission.

12. For purposes of this Order, "Executive Branch departments and agencies" shall mean any of the principal departments in the Executive Branch of State government and any agency, authority, board, bureau, commission, division, institution, office, or other instrumentality within or created by any such department, and any independent State authority, commission, instrumentality, or agency over which the Governor exercises executive authority, as determined by the Attorney General.

13. For purposes of this Order, "national opioid litigation resolution" means: (1) a settlement agreement, entered into by the Attorney General of New Jersey on behalf of the State and by other state attorneys general on behalf of their respective states, which provides for the participation of states, counties, and municipalities to resolve claims by the state attorneys general

and counties and municipalities against opioid manufacturers, opioid distributors or pharmacies, or persons or entities affiliated with such manufacturers, distributors, or pharmacies, related to the manufacture, marketing, distribution, or dispensing of opioids; or (2) a bankruptcy plan which channels, releases, or otherwise finally disposes of claims by the state attorneys general and counties and municipalities against opioid manufacturers, opioid distributors or pharmacies, or persons or entities affiliated with such manufacturers, distributors, or pharmacies, related to the manufacture, marketing, distribution, or dispensing of opioids, which has received final approval and which the Attorney General determines shall be implemented in accordance with a memorandum of agreement between the State and its local governments on opioid litigation recoveries.

14. This Order shall take effect immediately.

GIVEN, under my hand and seal this
 31st day of August,
 Two Thousand and Twenty-two,
 and of the Independence of
 the United States, the Two
 Hundred and Forty-Seventh.

[seal]

/s/ Philip D. Murphy

Governor

Attest:

/s/ Parimal Garg

Chief Counsel to the Governor