

## SUMMARY and FISCAL NOTE\*

<b>Department:</b>	<b>Dept. Contact:</b>	<b>CBO Contact:</b>
City Budget Office		Adam Schaefer

*\* Note that the Summary and Fiscal Note describes the version of the bill or resolution as introduced; final legislation including amendments may not be fully described.*

### **1. BILL SUMMARY**

**Legislation Title:** AN ORDINANCE relating to City finances; creating a fund for depositing settlement proceeds related to opioid manufacturing, distribution, and dispensing; creating a Budget Summary Level; and ratifying and confirming certain prior acts.

**Summary and Background of the Legislation:** Seattle, like many local governments in the United States, has seen severe impacts as a result of manufacturing, distributing and dispensing prescription opioids, including increased addiction, homelessness, overdose, and death.

Local and state governments have litigated claims against the people and businesses involved in the manufacturing, distributing and dispensing of prescription opioids and, in some cases, have negotiated settlement claims as a result of litigation. As the City receives proceeds from these settlements, it is crucial to have a way to track these discrete, purpose-restricted funds.

This legislation establishes a new Fund in the City Treasury specifically for the purpose of receiving, tracking, and appropriating funds from current and future proceeds of opioid litigation. The legislation also restricts the uses of received funds to align with the uses permitted by settlement and other agreements with legal and governmental partners.

### **2. CAPITAL IMPROVEMENT PROGRAM**

**Does this legislation create, fund, or amend a CIP Project?**      \_\_\_ Yes  X  No

### **3. SUMMARY OF FINANCIAL IMPLICATIONS**

**Does this legislation amend the Adopted Budget?**      \_\_\_ Yes  X  No

**Does the legislation have other financial impacts to The City of Seattle that are not reflected in the above, including direct or indirect, short-term or long-term costs?**  
No.

**Are there financial costs or other impacts of *not* implementing the legislation?**  
Not implementing this legislation will make it more difficult to monitor a discrete funding source that is legally limited to be used for certain purposes.

#### 4. OTHER IMPLICATIONS

- a. Does this legislation affect any departments besides the originating department?**  
The Office of City Finance will administer the Fund and other City departments (most notably the Human Services Department) will be responsible for expending the funds.
- b. Is a public hearing required for this legislation?**  
No.
- c. Is publication of notice with *The Daily Journal of Commerce* and/or *The Seattle Times* required for this legislation?**  
No.
- d. Does this legislation affect a piece of property?**  
No.
- e. Please describe any perceived implication for the principles of the Race and Social Justice Initiative. Does this legislation impact vulnerable or historically disadvantaged communities? What is the Language Access plan for any communications to the public?**  
The opioid crisis in Seattle, like much of the United States, has disproportionately impacted people of color and other historically vulnerable communities. While this legislation that creates a fund is unlikely to have a direct impact on RSJI principles, the proceeds that are spent from the Fund will endeavor to assist people suffering or at risk of suffering from opioid use disorder.
- f. Climate Change Implications**
- 1. Emissions: Is this legislation likely to increase or decrease carbon emissions in a material way?**  
No.
  - 2. Resiliency: Will the action(s) proposed by this legislation increase or decrease Seattle's resiliency (or ability to adapt) to climate change in a material way? If so, explain. If it is likely to decrease resiliency in a material way, describe what will or could be done to mitigate the effects.**  
No.
- g. If this legislation includes a new initiative or a major programmatic expansion: What are the specific long-term and measurable goal(s) of the program? How will this legislation help achieve the program's desired goal(s)?**  
N/A

#### Summary Attachments:

Summary Attachment 1 – One Washington Memorandum of Understanding between  
Washington Municipalities

Summary Attachment 2 – Executive Order 2023-04 (Opioid Crisis)