Guidance for Municipalities on the Massachusetts State-Subdivision Agreement for Statewide Opioid Settlements

Massachusetts Office of the Attorney General
Massachusetts Department of Public Health, Bureau of Substance Addiction Services

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(1) What is the Massachusetts State Subdivision Agreement?

The Massachusetts State Subdivision Agreement ("SSA") is an agreement signed by all participating municipalities receiving funds from the national opioid settlements. The SSA requires opioid abatement funds to be used solely to implement the seven abatement strategies listed in Section III of the SSA: (1) Opioid Use Disorder Treatment, (2) Support People in Treatment and Recovery, (3) Connections to Care, (4) Harm Reduction, (5) Address the Needs of Criminal-Justice-Involved Persons, (6) Support Pregnant Or Parenting Women and Their Families, Including Babies with Neonatal Abstinence Syndrome, and (7) Prevent Misuse of Opioids and Implement Prevention Education. Pursuant to the SSA, municipalities may not spend opioid abatement funds outside of these approved strategies.

(2) What are a municipality's reporting and record-keeping obligations for opioid abatement funds?

Under Section V(B) of the State Subdivision Agreement, municipalities that have received annual abatement distributions of $35,000 or more, whether individually or pooled, have been required to submit annual expenditure reports to EOHHS. Pursuant to its authority under the SSA, EOHHS updated this reporting requirement beginning in 2025 to include all participating municipalities, regardless of the distribution amount. Municipalities must maintain for at least five years documents sufficient to reflect that municipal abatement funds were utilized for the abatement strategies listed in the SSA. A municipality receiving funds must track all deposits and expenditures and is accountable for the allocation(s) it receives, including monitoring of payments received, oversight, and reporting.

Annual municipal spending, along with all spending by the state, can be found on the Opioid Settlement Dashboard available **here**.

(3) May a municipality spend opioid abatement funds on uses other than the seven approved abatement strategies described in the State Subdivision Agreement?

No. All municipal expenditures of opioid abatement funds must implement one of the seven approved strategies to abate the harms of the opioid epidemic. These strategies can be found under Section III of the State Subdivision Agreement. Spending for other purposes is prohibited under the State Subdivision Agreement.

(4) May a municipality transfer its opioid abatement funds to law enforcement, fire, or Emergency Medical Services without specifically limiting the use of funds to the seven approved abatement strategies described in the State Subdivision Agreement?

No. While some law enforcement, fire, or EMS services may be tailored to the SSA-approved abatement strategies, and therefore constitute permissible uses of opioid abatement funds under the SSA, others may not. The expenditure must be directly related to prevention, harm reduction, treatment, and/or recovery, and the municipality must be able to clearly document the expenditure's nexus to the specific approved abatement strategy listed in the SSA.

Examples of Non-Allowable Uses

Law enforcement, fire, EMS, or other services-related costs that are not within the SSA-approved abatement strategies include, for instance, law enforcement activities and equipment related to interdiction or criminal investigation, apprehension, or processing (such as search and seizure activities or equipment). Examples include appropriations for patrol cars, cell phone extraction software, recording software and hardware, vests, guns, batons, uniforms, K-9 units, bola wraps, and body scanners. Drug-checking devices used for interdiction purposes, including mass spectrometers and breathalyzers, are also not within the SSA-approved abatement strategies.

Opioid abatement funds may not be spent on law enforcement, fire, and EMS-related costs and equipment that have a general emergency purpose but no nexus to an SSA-approved abatement strategy. Spending opioid abatement funds on law enforcement, fire, and EMS-related costs and equipment that municipalities have historically funded may also constitute impermissible "supplanting" of resources for opioid abatement under the SSA. For example, impermissible supplanting could include the use of opioid abatement funds for ambulances, stretchers, automated external defibrillators (AEDs), chest compression devices, cardiac monitors, ventilators, and other types of equipment and supplies associated with general medical response activities. For more information on supplanting, see Question [8] below.

Examples of Allowable Uses

Examples of law enforcement, fire, EMS, or other services that may be tailored to the SSA-approved abatement strategies include, for example, expanding mobile treatment models; providing peer support specialists that support people in accessing OUD treatment, trauma-informed counseling and recovery support, harm reduction services, primary healthcare, or other services; providing transportation to treatment or recovery services for persons with OUD; supporting frontline care providers; supporting the work of Emergency Medical Systems, including peer support specialists and post-overdose response teams, to connect individuals to trauma-informed treatment recovery support, harm reduction services, primary healthcare, or other appropriate services following an opioid overdose or other opioid-related adverse event; fire department partnerships such as Safe Stations; increasing availability for first responders of naloxone and other drugs that treat overdoses; programs that connect individuals involved in the criminal justice system and upon release from jail or prison to OUD harm reduction services, treatment, recovery support, primary healthcare, prevention, legal support, or other supports; co-responder and/or alternative responder models to address OUD-related 911 calls with greater OUD expertise; public safety-led diversion strategies such as the Law Enforcement Assisted Diversion model; participation in membership organizations such as the Police Assisted Addiction Recovery Initiative for training and networking; and utilizing law enforcement training opportunities such as the Safety and Health Integration in the Enforcement of Laws on Drugs (SHIELD) model.

Capital expenses or equipment directly connected to opioid abatement services may be purchased with opioid abatement funds to the extent of the utilization for SSA-approved uses. For example, if emergency equipment is used ten percent of the time to treat individuals in certain OUD treatment facilities, then ten percent of that cost would be allowable, so long as the municipality can clearly and reasonably document the percentage utilized for SSA-approved uses and all other requirements of the SSA are satisfied. If emergency equipment is exclusively used for treating individuals with OUD, then the entire cost of the emergency equipment would be allowable.

(5) May a municipality spend opioid abatement funds on personnel costs such as salary, benefits, overtime, and travel?

Yes. Such expenditures are permissible under the SSA only to the extent that the person is performing duties in furtherance of an SSA-approved abatement strategy. For example, if an individual spends ten percent of their working time on SSA-approved abatement strategies, then ten percent of that person's salary would be allowable, so long as the municipality can clearly and reasonably document the percentage spent on SSA-approved strategies and all other requirements of the SSA are satisfied.

(6) If a municipality gives its opioid abatement funds to a third party to engage in opioid abatement activities, who is responsible for compliance with the SSA?

The municipality remains accountable for SSA compliance, including monitoring and reporting on all expended funds. For example, even if a municipality provides its funds to a third party, the municipality's annual expenditure reports must include an itemized list of funds expended for abatement and administrative costs; the unexpended balance; and a description of the funded abatement strategies and efforts to direct resources to vulnerable and underserved communities. The municipality remains responsible for maintaining documentation sufficient to reflect that municipal abatement funds were utilized for the abatement strategies listed in the SSA.

(7) Are there limits on the use of opioid abatement funds for administrative expenses?

Administrative expenses are expenses incurred for general purposes that are not identifiable with a specific activity/program or that benefit more than one cost objective, such as overhead, general operations, or organization-wide activities of an organization. Opioid abatement funds may be used for administrative expenses that are reasonable and related to an SSA-approved abatement strategy. Administrative expenses that exceed fifteen (15) percent of the total amount expended per fiscal year may be closely scrutinized to ensure such expenses are reasonable, related to an SSA-approved abatement strategy, and have appropriate supporting documentation.

(8) According to the SSA, abatement funds must be used to "supplement and strengthen, rather than supplant" resources for opioid abatement. What does it mean to "supplant" resources?

Supplanting funds occurs when a municipality reduces existing funds for an SSA-approved opioid abatement strategy because opioid abatement funds from the national settlements are available (or are expected to be available) to fund that same activity. In other words, a municipality may not use opioid abatement funds to replace municipal funds used to pay for that equipment or offer those services. For example, under the SSA a municipality may not use abatement funds to pay for a harm

reduction staff position that was previously funded by another budget source that remains available to the municipality, because this would constitute supplanting of abatement resources.

(9) If municipalities have further questions about opioid abatement spending, who can they contact?

For answers to further questions about how to utilize abatement funds, municipalities can access support through the Mosaic Training & Technical Assistance Program for municipal opioid abatement by filling out the Request Form or by emailing **muniTTA@rizema.org.** For questions on reporting and oversight, please email **DPH-OSF@mass.gov**.