

DEPARTMENT OF JUSTICE

Justice Building 1162 Court Street NE Salem, Oregon 97301-4096 Telephone: (503) 378-6002

March 2, 2023

Senator Janeen Sollman, Co-Chair Representative Paul Evans, Co-Chair Joint Committee on Ways and Means Subcommittee on Public Safety 900 Court Street NE H-178 State Capitol Salem, OR 97301

Dear Senator Sollman and Representative Evans:

On February 27 and 28, 2023, the Department of Justice (DOJ) made a presentation to the Subcommittee on Public Safety about the Department of Justice 2023-25 budget. On the first day, the Attorney General provided information regarding large settlements achieved in the Monsanto and Opioids matters. The second day's presentation included information regarding funds recovered from the work of the Civil Enforcement Division.

On February 28th, Co-Chair Evans asked a question about the balance of the fund that holds receipts from our successful settlements. Funds obtained from settlements relating to the work of DOJ's Consumer Protection Section, which is part of the Civil Enforcement Division, are deposited in the Protection & Education Account (P&E). The P&E is the sole source of funding for DOJ's Consumer Protection work. ORS 180.095 limits both the funds that may be deposited in the account and the use of those funds to cases relating to Consumer Protection, Antitrust and False Claims matters. Pursuant to ORS 180.095(5), on or before April 1 of each odd-numbered year, DOJ is required to provide the legislature with a report regarding the balance of the P&E and other factors relating to the account. We are currently working to finalize that report and will ensure you receive a copy when we submit it.

I do want to take a moment to provide a bit of additional information regarding the Opioids and Monsanto matters referenced by the Attorney General. First, while the Opioid cases are part of our consumer protection work, the settlement agreements in those matters require the funds to be used for remediation of opioid use. In the 2022 session, the legislature (through HB 4098) established the Opioid Settlement Prevention, Treatment and Recovery Fund, which is where the opioid settlement funds are deposited. HB 4098 also established the Opioid Settlement Prevention, Treatment and Recovery Board within the Oregon Health Authority. This board is responsible for allocating the settlement funds towards remediation of opioid use.

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With respect to the Monsanto settlement, the Monsanto litigation was not part of our consumer protection work and thus, is not covered by ORS 180.095 and the requirement that funds be deposited in the P&E. The Monsanto settlement agreement requires that the settlement funds be used only for a limited range of environmental remediation projects. As a result, the Monsanto and Opioid settlement funds will not be reflected in the P&E account balance.

We appreciate the opportunity to provide this information. Please contact us if other questions arise.

Sincerely,

LISA M. UDLAND

Deputy Attorney General

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cc: William O'Donnell, DOJ Chief Financial Officer Jennifer Friesen, DOJ Senior Budget Analyst