



Senate Fiscal Agency
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Senate Bill 616 (as reported without amendment)
Sponsor: Senator Sylvia Santana
Committee: Civil Rights, Judiciary, and Public Safety

CONTENT

The bill would amend the Opioid Litigation Act to prohibit a political subdivision of the State from commencing or maintaining an action related to released claims in specific settlements.

MCL 691.1672 & 691.1673

BRIEF RATIONALE

The settlements specified in the bill are parts of multiple national settlements related to the manufacture and sale of opioids during the opioid epidemic.¹ The Mylan, Hikma, Amneal, Apotex, Indivior, Sun, Alvogen, and Zydus settlements are worth a total of \$720.0 million, and all settlors agreed to a sign-on period for Michigan local governments in which these political subdivisions can claim compensation under the settlements.² The Kroger settlement is worth \$1.2 billion, and local governments had the opportunity to register to receive funds until August 12, 2024.³ Finally, the Purdue settlement is worth \$7.4 billion and afforded the State and local governments time to join and receive compensation under it.⁴ Testimony indicates that law prohibiting political subdivisions from commencing or maintaining an action related to these released claims as proposed by the bill is necessary to ensure that the State and political subdivisions receive the full settlement funds.

Legislative Analyst: Tyler VanHuyse

FISCAL IMPACT

The bill's language would prohibit further claims arising out of actions that have already been litigated, and so no fiscal impact on courts or the Attorney General is anticipated. The bill would have no immediate fiscal impact on State or local government. The settlement agreements, and the formulas for determining State shares of settlement payments, can be found on the National Opioid Settlement website. These formulas include base-level and incentive-level payments to states and local governments. The incentives are achieved by making efforts to end litigation and prohibit future claims. Enacting the bill would allow the State and local governments that have settled to receive full incentives under the settlement payment plans.

Date Completed: 11-14-25

Fiscal Analyst: Bobby Canell; Michael Siracuse

¹ Ackerman, Ellyn, et al., "An Overview of Michigan's Efforts in Combatting the Opioid Epidemic", Senate Fiscal Agency Issue Paper, April 2019.

² Michigan Department of Attorney General, Attorney General Nessel Secures \$720 Million National Settlement from Eight Opioid Drug Makers, July 10, 2025.

³ Michigan Department of Attorney General, AG Announces \$1.2 Billion Settlement with Kroger for Role in Opioid Epidemic, Calls on Local Units to Participate, July 29, 2024.

⁴ Michigan Department of Attorney General, *AG Nessel Signs On to \$7.4 Billion Purdue Pharma Settlement*, July 16, 2025.