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Nassau and Suffolk are eligible for \$36.9 million from Purdue Pharma settlement, while towns fight for access

By Joshua Needelman joshua.needelman@newsday.com Updated November 7, 2025 11:47 pm

While Nassau and Suffolk counties are eligible for up to \$36.9 million from the Sackler Family and Purdue Pharma, the opioid manufacturer, as part of a nationwide multibillion-dollar settlement, state officials said, towns and villages on Long Island are suing for the right to future settlement revenue.

The counties are eligible for money from a pot of \$7.4 billion after the 50 states, the District of Columbia and four territories reached a settlement with the company and the Sacklers, the family that ran Purdue Pharma, the OxyContin manufacturer, in June, according to state officials.

But because of a June 2021 amendment to New York's mental hygiene law, none of the settlement money will flow directly to the towns or villages. Mark Tate, a Savannah, Georgia-based attorney who is representing 12 Long Island towns and other municipalities in a lawsuit challenging that statute, said the "legislation was specifically designed to cut them out."

"That's not happened like this in any other state," Tate said in an interview. "We are 100% firmly convinced that the municipalities on Long Island are harmed because of the opiate crisis, maybe more so than in other states, in which municipalities and counties all got paid."

WHAT NEWSDAY FOUND

While Long Island's two counties are eligible for up to \$36.9 million in opioid settlement funds, towns and villages on Long Island are suing for the right to future settlement revenue.

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Purdue Pharma continues to produce pharmaceutical drugs, but as part of the bankruptcy settlement, agreed to create a new public benefit company, which is legally required to balance shareholders' interests with the public good. Purdue Pharma will be dissolved and all of its assets will be transferred to that new company, [according to its website](#).

In response to the amendment, Tate filed a lawsuit in 2022 against the state in U.S. District Court for the Southern District of New York. The suit was dismissed in December 2023.

Tate appealed the decision in the U.S. Court of Appeals for the Second Circuit in January 2024. If he wins on appeal, he then plans to file a new lawsuit against Purdue Pharma and other opioid companies on behalf of the Long Island municipalities he represents.

Counties received millions in earlier deals

The two Long Island counties had [received a total of \\$213.5 million](#) in previous opioid settlements from 2021 and 2022, Newsday reported last December.

"It advantaged Suffolk County and Nassau County, ultimately rewarding them with substantial cash settlements," according to a motion filed by Tate in March 2023. "Those settlements came at the expense of the towns and villages that stand on the front lines in the opioid crisis and have used their own funds for the battle — funds that the towns and villages raise themselves through property taxes on the citizens they are entrusted with protecting."

Judge Kiyo Matsumoto, a senior U.S. District judge, wrote in her dismissal that "plaintiffs lack standing to pursue their claims based on the Fourteenth Amendment to the U.S. Constitution, and as such, this Court does not have subject matter jurisdiction to hear those claims."

Fatal overdoses dropped almost 32% [across the state](#) in 2024, Newsday reported, and preliminary data showed steep declines on Long Island. There were 673 fatal overdoses on Long Island in 2023, down from 773 in 2022.

As for overdose deaths involving opioids, Long Island also has seen a decrease, from 584 in 2023 to 363 in 2024, a 38% drop, according to state Department of Health statistics.

Tate represents every Long Island town except Shelter Island, as well as several villages, including Valley Stream and Babylon, along with the City of Long Beach.

The 2021 amendment to the state's mental hygiene law reads: "All settlement money goes into the state's Opioid Settlement Fund, and the New York Opioid Settlement Sharing Agreement — which is incorporated into the state settlement agreements — provides that only counties (along with New York City, Nassau, and Suffolk) get direct payments."

In September, North Hempstead Town passed a resolution authorizing its participation in the Purdue Pharma settlement.

Brookhaven Town also passed a resolution to participate in January 2019. But Tate told Newsday those actions were taken just in case the towns become eligible to participate. Tate learned later on they would not be.

"The town is closest to the people, and we routinely administer the funding that comes down from the state and federal governments ... to our agencies for a variety of programs," Brookhaven Supervisor Dan Panico said in an interview. "So obviously we would like to see the money directly. I think that would probably cut out any administrative fees."

Meetings planned with town officials

Christopher Koetzle, former supervisor of the Town of Glenville, is the executive director of the New York Association of Towns, which provides education and advocacy to towns across New York State. During planned meetings with officials from North Hempstead, Hempstead and

Oyster Bay towns this month, he plans to discuss the challenges surrounding the settlement money.

"We feel that towns deserve direct funding and should be availed to that, because we have impacts just like everyone else has impacts," he said. "Usually the first line of response is EMS, usually that's at the town level. ... We are least able to absorb those kind of expenses that their governments might be able to absorb, at the county or state level."

Jeffrey Friedman, chief executive of CN Guidance and Counseling Services, said in an interview that if towns do receive settlement money in the future, they should work with community-based organizations to invest the money back into recovery efforts.

"It would be the hope that folks in town government would rely on the experts in the field," Friedman said. "And work with them to try to increase access to care, and how to make sure anyone in the town, in their jurisdiction, who needs care, has an opportunity to access that care."

North Hempstead officials declined to say how the town may direct future opioid settlement revenue.

Umberto Mignardi, a North Hempstead spokesman, said in an interview the town is "pleased these funds will offer some small measure of justice to our communities for the harm caused by Purdue Pharma's actions."

But Mignardi demurred when asked how the town would spend funds if it received money directly: "We're not able to comment on distribution as the matter is still being litigated."

Tate said municipalities deserve funds directly because the opioid companies need to "address some of the harm that their marketing costs."

"The opioid manufacturers and distributors made a lot of money," he said. "The full cost of their product was the vibrancy of communities, and the lives of the people who live there."

Newsday's Lisa L. Colangelo and Carl MacGowan contributed to this story.