

MEMORANDUM

TO: Mayor and City Council

FROM: Jake Boone, Assistant to the City Manager

SUBJECT: OPIOID LITIGATION SETTLEMENT

DATE: December 8, 2021

Background

A federal court case against opioid manufacturer Johnson & Johnson as well as distributors AmerisourceBergen, Cardinal Health, and McKesson has reached a negotiated settlement. Among other penalties, there is approximately \$22.8 billion slated to be distributed to participating states, counties, and municipalities. Unlike a standard class action suit, this one is an opt-in arrangement, where the City is excluded from participation unless the Council takes action.


While we do not yet know how much money the City stands to collect under this settlement, there is a relatively short time frame to decide whether the City wishes to participate; the agreement must be signed by January 2, 2022. There are some restrictions on how the City may use settlement funds, but the restrictions are broad enough that the funds would still likely prove useful. As a few examples, funds could be used for a crisis intervention team, for overdose medications for the police department, or for housing and therapeutic support for recovering addicts.

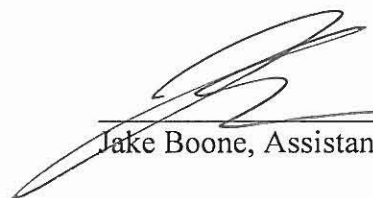
Recommendation

It is staff's recommendation that the City Council, by motion, authorize the City Manager to sign the settlement participation agreement.

Cost

No cost to the City.


Richard Meyers, City Manager


Jake Boone, Assistant to the City Manager