



## Takoma Park City Council Meeting – January 26, 2022 Agenda Item 2

### **Voting Session**

Resolution Authorizing the City Manager to Execute the National Settlement Agreement for the Opioid Litigation and Maryland Required Agreements

### **Recommended Council Action**

Authorize the City Manager to execute agreements.

### **Context with Key Issues**

The State of Maryland, its local governments, and its people have been harmed by an epidemic of opioid addiction and overdose deaths, as well as by the myriad costs to the health, economic well-being, and welfare of all Maryland residents caused by the epidemic. A class action lawsuit was filed in federal court by multiple states and local governments against certain pharmaceutical manufacturers, distributors, and dispensers which were alleged to have engaged in unlawful conduct related to the manufacture, marketing, promotion, distribution, and dispensing of opioids that has caused these harms. They are Jassen and the Distributors (Johnson & Johnson, Amerisource Bergen, Cardinal Health and McKesson (“National Settlements”). A national settlement agreement has been reached with respect to these claims and these defendants.

The National Settlement Agreement sets allocation formulas and the State of Maryland, on behalf of itself and its local governments, agreed to the formulas. In order to complete the agreement, the City is required to execute documents associated with the National Settlement Agreement and documents the State is requiring its local governments to execute. Both concern the allocation and distribution of the City's shares of settlement proceeds and, once executed, will bar the City from pursuing its own litigation as to the named Distributors.

### **Council Priority**

A Fiscally Sustainable Government

### **Environmental Considerations**

N/A

### **Fiscal Considerations**

The exact dollar amounts the City may receive are unknown at this time as they are ultimately dependent on the number of State and local governments that ultimately participate. The City's share of the subdivision fund could be up to \$105,913.59. The City's share of the abatement fund could be up to \$190,644.45. The total maximum new revenue to the City could be up to \$296,558.04.

### **Racial Equity Considerations**

The funds intention is to promote as much as reasonably practicable, the efficient, effective, and consistent pursuit of coordinated statewide Future Opioid Remediation policies and programs at all levels of government.

**Attachments and Links**  
Draft Resolution

Resolution No.: \_\_\_\_\_

RESOLUTION OF THE MAYOR AND CITY COUNCIL AUTHORIZING  
THE CITY MANAGER TO EXECUTE NATIONAL SETTLEMENT AGREEMENTS  
WITH JASSEN AND THE DISTRIBUTORS IN THE OPIOID LITIGATION AND  
MARYLAND SUBDIVISION AGREEMENTS

WHEREAS, national litigation regarding the impact of the distribution and use of Opioids has resulted in proposed settlement agreements with Jassen and the Distributors (Johnson & Johnson, Amerisource Bergen, Cardinal Health and McKesson (“National Settlements”)); and

WHEREAS, the Maryland Attorney General has proposed a State-Subdivision Agreement to implement the distribution of funds to local governments in Maryland received through the National Settlements; and

WHEREAS, under the National Settlements and State-Subdivision Agreement the City will receive funds and be eligible for grants to combat Opioid use within the City; and

WHEREAS, the Mayor and Council have determined that entry into the National Settlements and State-Subdivision Agreement is in the best interests of the City and its residents.

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council that the City Manager be and hereby is authorized to execute the National Settlements and State-Subdivision Agreement.

ADOPTED by the Mayor and City Council this \_\_\_ day of January, 2022.

\_\_\_\_\_  
Kate Stewart, Mayor

THIS IS TO CERTIFY that the foregoing  
Resolution was adopted by the Mayor & City  
Council in public meeting assembled on  
the \_\_\_ day of January, 2022

\_\_\_\_\_  
Jessie Carpenter, City Clerk