Legislation Details (With Text)

File #:	Resolution 52-2021	**Name:**	
Type:	Resolution	**Status:**	Passed
File created:	10/19/2021	**In control:**	City Council
On agenda:	10/26/2021	**Final action:**	10/26/2021
Title:	Resolution 52-2021: Approving the Colorado Opioids Settlement Memorandum of Understanding		
Sponsors:	City Council		
Indexes:			
Code sections:			
Attachments:	1. 1. Resolution No. 52-2021, 2. 2. Colorado Opioid MOU, 3. 3.Colorado Opioid MOU Summary, 4. 4. Johnson & Johnson - Janssen Opioid Settlement Participation Form, 5. 5. Distributor Opioid Settlement Participation Form, 6. 6. Local Government Opioid Escrow Agreement		

Date	Ver.	Action By	Action	Result
10/26/2021	1	City Council	approved	Pass

Agenda Date: 10/26/2021

Subject:
Resolution 52-2021: Approving the Colorado Opioids Settlement Memorandum of Understanding

Prepared by: Reid Betzing, City Attorney

PURPOSE:
The purpose of the Colorado Opioids Settlement Memorandum of Understanding (MOU) is to establish a framework for distributing and sharing settlement proceeds from the multi-district litigation ("MDL") *In Re: National Prescription Opiate Litigation*, MDL 2804.

PRESENTATIONS:

Staff Presenter(s): Reid Betzing, City Attorney
Additional Presenter(s): None

SUMMARY:
National settlements have been reached with the big 3 largest opioid distributors (McKesson, Cardinal Health, and Amerisource Bergen) as well as opioid manufacturer Johnson & Johnson to help resolve claims by state and local governments that these companies contributed to the opioid epidemic. The claims being settled include those raised by local governments in the national multi-district litigation.

The Colorado Opioids Settlement MOU establishes the framework for distributing and sharing these settlement proceeds throughout Colorado. Local governments and the State prepared the MOU which prioritizes regionalism, collaboration, and abatement. It is expected that this MOU would be used for future settlements with other opioid defendants in the future.

In total, up to approximately $22.8 billion in settlement proceeds will be payable at varying rates to state and local governments nationwide. Colorado's maximum share from these settlements is anticipated to be more than $300 million dollars at varying amounts over 18 years.

Under the proposed MOU settlement proceeds will be distributed 10% directly to the state, 20% to local governments, 60% to regions, and 10% to specific abatement infrastructure projects. Approved uses of these funds focus on abatement strategies including prevention, treatment, recovery, criminal justice, education, and harm reduction.

In order for the City of Littleton to obtain a share of the settlement proceeds it is necessary to sign the MOU.

PRIOR ACTIONS OR DISCUSSIONS:

None.

ANALYSIS:

Staff Analysis

Staff believes that entering into this MOU provides the most reasonable path in terms of obtaining a share of settlement proceeds and having a voice in how these funds will be used on both a state and local level.

Council Goal, Objective, and/or Guiding Principle

Goal 8: Good Governance

Fiscal Impacts

It is anticipated that the City of Littleton could directly receive up to $600,000 over a period of 18 years.

Alternatives

Not sign the MOU.

STAFF RECOMMENDATION:

Staff supports entering into the MOU.

PROPOSED MOTION:

I move to approve Resolution 52-2021 approving the Colorado Opioids Settlement Memorandum of Understanding.

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