



Legislation Text

File #: RES 23-508, **Version:** 1

Agreeing to the amended Minnesota Opioids State-Subdivision Memorandum of Agreement and authorizing City staff to execute all necessary documents to ensure the City's participation in the Teva Pharmaceuticals, Allergan PLC, Walmart Inc., CVS Health Corp., and Walgreens Boots Alliance Inc. Settlements, including the participation Agreement and accompanying Release and the Amended State-Subdivision Agreement.

Agreeing to the Amended Minnesota Opioids State-Subdivision Memorandum of Agreement

WHEREAS, the State of Minnesota and numerous Minnesota cities and counties are engaged in nationwide civil litigation against opioid supply chain participants related to the opioid crisis; and

WHEREAS, in 2021, the State of Minnesota, the City of Saint Paul, and numerous other Minnesota cities and counties previously agreed to the Minnesota Opioids State-Subdivision Memorandum of Agreement ("State-Subdivision Agreement"), which governed distribution of opioid settlement funds from multistate agreements with pharmaceutical distributors McKesson, Cardinal Health, and AmerisourceBergen, as well as opioid manufacturer Johnson & Johnson; and

WHEREAS, the State-Subdivision Agreement prioritizes flexibility for how local governments may use opioid settlement funds for opioids abatement and remediation, and which provides for 75% of the settlement funds to be distributed directly to local governments and 25% of the settlement funds to be distributed directly to the State; and

WHEREAS, the State of Minnesota and numerous Minnesota cities and counties have begun to receive distributions of settlement funds from the prior multistate settlement agreements, pursuant to the State-Subdivision Agreement; and

WHEREAS, the Minnesota Attorney General has signed on to several additional multistate settlement agreements with manufacturers Teva Pharmaceuticals and Allergan plc, as well as pharmacy companies Walmart Inc., CVS Health Corp., and Walgreens Boots Alliance Inc., but those settlement agreements are still subject to sign-on by local governments and final agreement by the companies and approval by the courts; and

WHEREAS, there is a deadline of April 18, 2023, for a sufficient threshold of Minnesota cities and counties to sign on to the new, above-referenced multistate settlement agreements, and failure to timely sign on may diminish the amount of funds received by not only that city or county but by all Minnesota cities and counties from the settlement funds; and

WHEREAS, representatives of Minnesota's local governments and of the State of Minnesota through the Office of the Attorney General have reached agreement that the distribution of funds pursuant to the new settlement agreements and any future settlement agreements should be governed by the State-Subdivision Agreement, as amended, in order to prioritize flexibility for local governments and maintain the favorable 75/25 split of funds between local governments and the State; now, therefore,

BE IT RESOLVED, the City of Saint Paul supports and agrees to the Amended Minnesota Opioids State-Subdivision Memorandum of Agreement ("Amended State-Subdivision Agreement"), with amendments that include the multistate settlement agreements with manufacturers Teva Pharmaceuticals and Allergan plc, as

well as pharmacies Walmart Inc., CVS Health Corp., and Walgreens Boots Alliance Inc. as well as any future multistate settlement agreements relating to the opioids litigation; and

BE IT FURTHER RESOLVED, the City of Saint Paul supports and opts into the multistate settlements with Teva Pharmaceuticals, Allergan plc, Walmart Inc., CVS Health Corp., and Walgreens Boots Alliance Inc.; and

BE IT FURTHER RESOLVED, the Saint Paul City Council authorizes City Staff to execute all necessary documents to ensure the City's participation in the Teva Pharmaceuticals, Allergan plc, Walmart Inc., CVS Health Corp., and Walgreens Boots Alliance Inc. settlements, including the Participation Form and accompanying Release and the Amended State-Subdivision Agreement.