
City Council Regular Meeting

DEPARTMENT: Legal

FROM: Matt Ribitzki, Sr. Deputy City Attorney/Director of Legal Services

MEETING: January 6, 2025

SUBJECT:

Consider and take possible action on a resolution approving a settlement participation form to participate in the settlement of the State of Texas opioid litigation through the Texas Attorney General's Office with retailer Kroger and authorizing the City Manager to execute all necessary documents in connection with the same. (*Staff Contact: Matt Ribitzki, Sr. Deputy City Attorney/Director of Legal Services*)

SUMMARY:

The Office of the Texas Attorney General has announced a settlement with Kroger in the multistate litigation initiated by several states to resolve legal claims regarding the opioid crisis. The settlement is in addition to the prior settlements with opioid manufacturers and distributors.

Overall, the settlement requires Kroger to pay \$83 million to Texas and its political subdivisions. The vast majority of the settlement amount is earmarked for use by Texas and its subdivisions to remediate and abate the impacts of the opioid crisis. The settlement also contains injunctive relief provisions governing the opioid marketing as well as the sale and dispensing practices at the heart of the opioid claims in the lawsuits.

The subdivisions within Texas, including the city of Burleson, are entitled to decide whether they wish to participate in the settlement. Any subdivision that does not participate cannot directly share in any of the settlement funds.

As with the other opioid settlements, the Texas Comptroller of Public Accounts and the Texas Opioid Council will disburse funds to participating Texas political subdivisions. Settlement funds received by the state and political subdivisions must be used to support any of a wide variety of specified strategies to fight the opioid crisis. Summarily, funds received can be used for opioid abatement strategies that treat, mitigate, prevent opioid use as well as recoup costs to respond to the opioid epidemic. At this time, City staff does not have an estimate of how much the City would receive under this settlement.

At this time, the Attorney General's Office does not know when the settlement funds will be paid by the Texas Comptroller and Texas Opioid Council.

The Attorney General's Office recommends that the City determine whether to participate in the settlement with Kroger well before the January 26, 2025, deadline.

RECOMMENDATION:

Approve

PRIOR ACTION/INPUT (Council, Boards, Citizens):

None, though the City Council has previously approved the City participate in the opioid settlement agreements with retailers Allergan, CVS, Walgreens, Walmart in April of 2023, and with various opioid distributors.

REFERENCE:

n/a

FISCAL IMPACT:

n/a

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