

RESOLUTION NO. _____

A RESOLUTION AUTHORIZING THE CITY OF KINGSPORT TO JOIN THE STATE OF TENNESSEE AND OTHER LOCAL GOVERNMENTS IN AMENDING THE TENNESSEE STATE-SUBDIVISION OPIOID ABATEMENT AGREEMENT; APPROVING THE RELATED SETTLEMENT AGREEMENTS; AND AUTHORIZING THE MAYOR TO EXECUTE THE AGREEMENTS AND ANY OTHER DOCUMENTS NECESSARY AND PROPER TO EFFECTUATE THE PURPOSE OF THE AGREEMENTS OR THIS RESOLUTION

WHEREAS, the opioid epidemic continues to impact communities in the United States, the State of Tennessee, and the City of Kingsport, Tennessee; and

WHEREAS, Kingsport has suffered harm and will continue to suffer harm as a result of the opioid epidemic; and

WHEREAS, the State of Tennessee and some Tennessee local governments have filed lawsuits against opioid manufacturers, distributors, and retailers, including many federal lawsuits by Tennessee counties and cities that are pending in the litigation captioned *In re: National Prescription Opiate Litigation*, MDL No.: 2804 (N.D. Ohio) (the MDL case is referred to as “Opioid Litigation”); and

WHEREAS, City of Kingsport has previously joined settlements with three pharmaceutical distributors and a manufacturer; and

WHEREAS, certain pharmaceutical manufacturers and retail pharmacy chains have proposed settlements that the City of Kingsport finds acceptable and in the best interest of the community; and

WHEREAS, the Tennessee legislature enacted Public Chapter No. 491 during the 2021 Regular Session of the 112th Tennessee General Assembly and was signed into law by Governor Bill Lee on May 24, 2021, which addresses the allocation of funds from certain opioid litigation settlements;

WHEREAS, the State of Tennessee, non-litigating counties, and representatives of various local governments involved in the Opioid Litigation have adopted a unified plan for the allocation and use of certain prospective settlement and bankruptcy funds from opioid related litigation (“Settlement Funds”); and

WHEREAS, the Tennessee State-Subdivision Opioid Abatement Agreement (the “Tennessee Plan”), sets forth the framework of a unified plan for the proposed allocation and use of the Settlement Funds; and

WHEREAS, amendments to the Tennessee Plan, would extend its terms to the proposed settlements, streamline accounting for certain settlement funds, and address the allocation of certain funds from a manufacturer in bankruptcy; and

WHEREAS, participation in the settlements by a large majority of Tennessee cities and counties will materially increase the amount of settlement funds that Tennessee will receive from pending proposed opioid settlements.

Now therefore,

BE IT RESOLVED BY THE BOARD OF MAYOR AND ALDERMEN AS FOLLOWS:

SECTION I. That the board of mayor and aldermen finds that the amendments to the *Tennessee State-Subdivision Opioid Abatement Agreement – 2023 Amendments* are in the best interest of the City of Kingsport and its citizens because they would ensure an effective structure for the commitment of Settlement Funds to abate and seek to resolve the opioid epidemic.

SECTION II. That the City of Kingsport hereby expresses its support for a unified plan for the allocation and use of Settlement Funds as generally described in the Tennessee Plan.

SECTION III. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is authorized and directed to execute, in a form approved by the city attorney, the 2023 Amendments to the *Tennessee State-Subdivision Opioid Abatement Agreement* and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the plan.

SECTION IV. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is further authorized and directed to execute any formal agreements necessary to implement a unified plan for the allocation and use of Settlement Funds that is substantially consistent with the Tennessee Plan and the 2023 Amendments and this resolution.

SECTION V. That the mayor, or in his absence, incapacity, or failure to act, the vice-mayor, is further authorized and directed to execute, in a form approved by the city attorney, any formal agreement and related documents evidencing City's agreement to the settlement of claims and litigation specifically related to Teva, Allergan, CVS, Walgreens, and Walmart and all other documents necessary and proper, and to take such acts as necessary, to effectuate the purpose of the agreements and this resolution.

SECTION VI. That the mayor is further authorized to make such changes approved by the mayor and the city attorney to the documents referenced herein that do not substantially alter the material provisions of the agreement, and the execution thereof by the mayor and the city attorney is conclusive evidence of the approval of such changes, and to take such other action as necessary and appropriate to effectuate city's participation in the Tennessee Plan and its Amendments.

SECTION VII. That the board finds that the actions authorized by this resolution are for a public purpose including recreational and educational, and will promote the health, comfort, and prosperity of the citizens of the city.

SECTION VIII. That this resolution shall take effect from and after its adoption, the public welfare requiring it.

ADOPTED this the 4th day of April, 2023.

PATRICK W. SHULL, MAYOR

ATTEST:

ANGELA MARSHALL, DEPUTY CITY RECORDER

APPROVED AS TO FORM:

RODNEY B. ROWLETT, III, CITY ATTORNEY