# **AGENDA ITEM**

TO: Mayor McNeill, Lansing City Council

FROM: Tim Vandall, City Administrator

DATE: December 10, 2021

SUBJECT: Resolution No. B-2-2021 - Opioid Settlements and Litigation

Kansas is a part of multi-state litigation aimed at holding the producers and distributors of opioids accountable for the negative effects their drugs have had on the American public. The Kansas State Legislature passed HB 2079, which lays out the breakdown for settlement funds at 75% to the State, and 25% to be split amongst municipal governments. Resolution No. B-2-2021 assigns Lansing's claims in this litigation to the Kansas Attorney General. This agreement authorizes the City Administrator and City Clerk to file documents related to this litigation.

## Financial Considerations:

Police personnel costs for responding to overdose calls, as well as any equipment needed for calls, can be included in reimbursable costs. The City may be eligible for law enforcement activities or projects that prevent, reduce, treat, or mitigate the effects of substance abuse addiction.

#### Action:

Staff recommends approval of Resolution No. B-2-2021.

#### **RESOLUTION NO. B-2-2021**

A RESOLUTION OF THE CITY OF LANSING, KANSAS, APPROVING THE EXECUTION AND DELIVERY OF AN AGREEMENT TO RELEASE AND ASSIGN THE CITY'S OPIOID CLAIMS TO THE KANSAS ATTORNEY GENERAL AND CERTIFYING COSTS ATTRIBUTABLE TO SUBSTANCE ABUSE AND ADDICTION MITIGATION IN EXCESS OF \$500.

WHEREAS, in 2021, the Kansas Legislature enacted HB 2079, the Kansas Fights Addiction Act (the "Act"), authorizing litigating municipalities such as the City of Lansing to access opioid litigation settlement funds and become eligible for certain state grants by entering an agreement releasing the city's opioid litigation claims to the Attorney General and assigning any future opioid litigation claims to the Attorney General (the "Agreement"); and

WHEREAS, the City of Lansing sustained damages related to the opioid epidemic; and

**WHEREAS,** on December 16, 2021, the City of Lansing filed suit to recover damages sustained by the City related to the opioid epidemic (the "Claims"); and

**WHEREAS**, the City of Lansing desires to enter an Agreement releasing and assigning its Claims to the Attorney General in order to access opioid litigation settlement funds and become eligible for certain state grants;

# BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LANSING, KANSAS:

**Section 1. Authorization of the Agreement**. City hereby authorizes the release of its legal claims arising from covered conduct to the Attorney General, and the assignment of any future legal claims arising from covered conduct to the Attorney General, pursuant to the Agreement by and between the Attorney General and the City in substantially the form presented to and reviewed by the governing body at this meeting (copies of this document shall be on file in the records of the City), with such changes therein as shall be reviewed by the City Attorney and the officials of the City executing such documents.

**Section 2. Execution of the Agreement**. The City Administrator and City Clerk are hereby authorized and directed to execute, seal, attest and deliver the Agreement in substantially the form presented to and reviewed by the governing body at this meeting and such other settlement agreements, documents, certificates and instruments as may be necessary and desirable to carry out and comply with the intent of this Resolution, for and on behalf of the City.

**Section 3.** Certification of Costs and Expenses. The City hereby certifies that it has incurred costs and expenses related to substance abuse or addiction mitigation in excess of \$500 and the City can utilize the opioid litigation settlement funds for the lawful purposes established in the Kansas Fights Addiction Act and the settlement agreements. The City Administrator and City Attorney are hereby authorized to execute, seal, attest and deliver such other documents, certificates and instruments as may be necessary and desirable to certify these costs and expenses or similar costs and expenses, for and on behalf of the City.

**Section 4. Effective Date**. This Resolution shall be in full force and effect from and after its adoption.

**ADOPTED** this 16<sup>th</sup> day of December 2021 and **SIGNED** by the Mayor.

Mayor		
Anthony R. McNeill		
Attested:		
City Clerk		
Sarah Bodensteiner, CMC		
REVIEWED AND APPROVED AS T	O FORM:	
City Attorney		
Gregory Robinson, ESQ		

### Exhibit A — Agreement to Release and Assign Claims

#### **BETWEEN:**

	City of Lansing, Kansas	_], (the "Assignor"), a municipality as defined by Kansas
	Statutes Annotated §12-105a, or	r other Political Subdivision, located within the State of
	Kansas, with its principal busine	ess office located at:
	[800 1st Terrace	]
	Lansing, KS 66043	
<b>AND:</b>	_	

Derek Schmidt, the duly elected Attorney General of the State of Kanas, with a principal business office located at:

The Office of the Kansas Attorney General 120 SW 10<sup>th</sup> Ave., 2<sup>nd</sup> Floor Topeka, KS 66612

FOR VALUE CONTEMPLATED, to gain access to money recovered by the State of Kansas for the abatement or remediation of substance abuse or addiction, made available by the Kansas Fights Addiction Act, 2021 Kansas House Bill No. 2079, consistent with Kansas Opioids Memorandum of Understanding between the Kansas Attorney General, the League of Kansas Municipalities, and the Kansas Association of Counties, and to permit as adopted by resolution passed by the Assignor on [December 16, 2021], the Assignor hereby releases its legal claims, and transfers and assigns to the Assignee, his successors, assigns, deputies, assistants, and personal representatives, any and all claims, demands, and cause or causes of actions on any kind whatsoever which the undersigned has or may have against any opioid manufacturer, distributor, and/or pharmacy, or entity within the Pharmaceutical Supply Chain, arising from the following type of claim:

Any and all claims arising out of "covered conduct" and "opioid litigation" as defined by 2021 Kansas House Bill No. 2079, and any and all claims on file by Assignor in MDL Case No. 1:17-md-2804, if any.

And the undersigned may in the name of the State of Kansas and for the benefit of the State of Kansas as defined by state law, 2021 House Bill No. 2079, and consistent with Kansas Opioids Memorandum of Understanding between the Attorney General, the League of Kansas Municipalities, and the Kansas Association of Counties, prosecute, collect, settle, compromise and grant releases on said claim as in his sole discretions deems advisable.

Any failure of the Assignor to comply with any requirement of the Memorandum of Understanding, the Kansas Fights Addiction Act, any other provision of Kansas law, or any reporting, requesting, monitoring, or other provision of any opioid settlement agreement which produces money governed by the Kansas Fights Addiction Act, may result in the suspension, termination, or other cessation of future payments to the Assignor from any fund established in the Kansas Fights Addiction Act.

IN WITNESS THEREOF, the parties have executed this Assignment on the day and year first above written.

Signed, sealed and delivered in the presence of:

ASSIGNOR	ASSIGNEE		
Authorized Signature	Authorized Signature		
Anthony R. McNeill, Mayor, City of Lansing, KS	Derek Schmidt, Kansas Attorney General		
Print Name and Title	Office of the Kansas Attorney General		