



COMMUNITY SERVICES

To: Mayor and Town Council

From: Robyn Battle, Executive Director of Community Services

Through: Harlan Jefferson, Town Manager

Re: Town Council Meeting – September 14, 2021

Agenda Item:

Consider and act upon a resolution authorizing the Town of Prosper to participate in the proposed opioids settlements brought by the state of Texas and other jurisdictions against various pharmaceutical companies for their roles in the national opioid crisis, and authorizing the Town Manager to execute documents related to same.

Description of Agenda Item:

The State of Texas, through the Attorney General's Office, along with a broad coalition of states and political subdivisions from across the country, sued three major opioid distributors, Kesson, Cardinal Health and Amerisource Bergen, along with an opioid manufacturer, Johnson & Johnson, for their role in the national opioid crisis. The purpose of the litigation was for governmental entities to recover costs incurred in combatting opioid use, including drug rehabilitation and treatment costs, hospitalization costs, and law enforcement costs, among others.

As a result of the litigation, all three opioid distributors and opioid manufacturer Johnson & Johnson reached a final settlement with Texas and the other jurisdictions. Texas' combined share of the settlements is approximately \$1.5 billion, and Texas municipalities can participate in the settlement if they elect to take part. If any city elects not to participate, that city would be required to institute its own litigation against the opioid distributors and/or manufacturers. The Attorney General's Office has requested that Prosper and other Texas local governments elect to participate in the settlements, and to express its intent in a resolution by the Town Council.

Although the amount that would be paid to the Town is not final, it is estimated by the Attorney General's Office to be approximately \$28,000, to be paid over an 18-year period, with the majority of proceeds to be received in the first several years of that period. The attached resolution expresses the Town's intent to participate in the settlements and to accept the settlement terms. Upon adoption, the resolution will be forwarded to the Attorney General's Office.

Budget Impact:

The estimated amount to be paid to the Town is approximately \$28,000, to be paid over an 18-year period.

Legal Obligations and Review:

Terrence Welch of Brown & Hofmeister prepared the attached resolution.

Attached Documents:

1. Resolution

Town Staff Recommendation:

Town staff recommends the Town Council approve a resolution authorizing the Town of Prosper to participate in the proposed opioids settlements brought by the state of Texas and other jurisdictions against various pharmaceutical companies for their roles in the national opioid crisis, and authorize the Town Manager to execute documents related to same.

Proposed Motion:

I move to approve a resolution authorizing the Town of Prosper to participate in the proposed opioids settlements brought by the state of Texas and other jurisdictions against various pharmaceutical companies for their roles in the national opioid crisis, and authorizing the Town Manager to execute documents related to same.