

TO: City Council
FROM: Karen Kirkpatrick, City Attorney
DATE: August 1, 2022
SUBJECT: Washington Opioid Distributor Settlement

1) Recommended Action:

Approve and authorize the Mayor to sign the Subdivision Settlement Participation Form (Exhibit A) related to the One Washington Settlement Attorney General Bob Ferguson reached with three of the largest opioid distributors, Cardinal Health, AmerisourceBergen, and McKesson.

2) Background:

The abuse of prescription opioids is a growing problem, not just in Tumwater, but in the State of Washington and nationwide. Individuals have been harmed by entities within the Pharmaceutical Supply Chain who manufacture, distribute, and dispense prescription opioids and the toll opioid abuse and overuse causes on our resources is significant. Following more than 6 months of trial, a settlement was reached between the State Attorney General's office and the three largest opioid distributors, Cardinal Health, AmerisourceBergen, and McKesson.

In April 2022, the City previously authorized the Mayor to sign the One Washington Memorandum of Understanding, which outlined how the funds the State of Washington receives from the National Settlement would be divided between participating jurisdictions. The City of Tumwater is included in the Cascade Pacific Action Alliance Region, which is comprised of Cowlitz, Grays Harbor, Lewis, Mason, Pacific, Thurston, and Wahkiakum Counties, and will receive 0.2065982350% of any settlement funds received. The One Washington settlement that was reached will result in the three companies paying approximately \$518 million over 17 years.

This latest settlement by the Attorney General's Office incorporates the allocation method previously approved under the National Settlement and entitles local governments who elect to participate to access additional funding for an array of strategies to combat the epidemic, as outlined in the Attorney General's June 1, 2022, correspondence (attached as Exhibit B).

A full copy of the Washington State Settlement Agreement is attached as Exhibit C. The 571-page National Settlement Agreement can be found by clicking the following link: [National Distributor Settlement](#)

3) Policy Support:

Funds would be utilized to help provide social and health services for those impacted by opioid use and addiction. They would also assist with the prevention of overuse and abuse, which supports our policy to provide and sustain quality public safety services and our commitment to explore regional partnerships to provide social and health services.

4) Alternatives:

☐ Not authorize the submission of the Settlement Participation Form.

5) Fiscal Notes:

Tumwater would receive 0.2065982350% of any settlement funds received.

6) Attachments:

- A. Subdivision Settlement Participation Form
- B. Correspondence from Attorney General Bob Ferguson Dated June 1, 2022
- C. Distributors Washington Settlement Agreement