

HAYWARD CITY COUNCIL

RESOLUTION NO. 23-

Introduced by Council Member _____

RESOLUTION APPROVING PARTICIPATION IN THE NATIONAL OPIOID SETTLEMENT LITIGATION WITH TEVA, ALLERGAN, CVS, WALMART AND WALGREENS; ACCEPTING THE TERMS OF THE CALIFORNIA ALLOCATION AGREEMENT; AND AUTHORIZING THE CITY MANAGER TO EXECUTE AND SUBMIT ALL NECESSARY SETTLEMENT PARTICIPATION DOCUMENTS ON BEHALF OF THE CITY OF HAYWARD

WHEREAS, a settlement has been reached in multi-district litigation in brought by states and cities against Teva, Allergan, CVS, Walmart and Walgreens for their roles in the opioid crisis; and

WHEREAS, the proposed settlements consist of agreements with Teva, Allergan, CVS, Walmart and Walgreens; and

WHEREAS, the terms of the settlements include payments as follows:

- Teva to pay up to \$3.34 billion over 13 years and to provide either \$1.2 billion of its generic version of the drug Narcan over 10 years or \$240 million of cash in lieu of product, as each state may elect;
- Allergan to pay up to \$2.02 billion over 7 years;
- CVS to pay up to \$4.90 billion over 10 years;
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion within 6 years.

WHEREAS, under the terms of Settlement, California is scheduled to receive up to nearly \$1.8 billion, some of which will be distributed to cities and counties; and

WHEREAS, although the City of Hayward is not a litigating entity involved in this litigation it may opt-in and receive the benefits of the settlements in exchange for releasing its claims against Teva, Allergan, CVS, Walmart and Walgreens; and

WHEREAS, the more cities with populations greater than 10,000 people, such as the City, which opt-in to the agreement will enable their respective counties and states to receive more funds under the incentive structure of the settlements; and

WHEREAS, opting-in to the settlement will enable the City to receive funds from the settlements, which can be used to treat opioid use disorder and for other purposes described in the Settlement; and

WHEREAS, the City wishes to agree to the terms of the proposed settlements; and

WHEREAS, the State of California, and counsel representing a group of cities and counties, have reached agreement on a proposed allocation of recoveries that California may receive pursuant to the settlements (“Allocation Agreements”); and

WHEREAS, the City wishes to agree to the terms of the proposed Allocation Agreements; and

WHEREAS, jurisdictions must opt-in to the settlements by April 18, 2023.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hayward that the terms of the settlement agreements with Teva, Allergan, CVS, Walmart and Walgreens regarding the national opioid litigation described herein are hereby accepted.

BE IT FURTHER RESOLVED that the terms of the Allocation Agreements prepared by the State of California are hereby accepted.

BE IT FURTHER RESOLVED that the City Manager is hereby authorized and directed to execute and submit all documents necessary for the City of Hayward to participate in the settlements with the Teva, Allergan, CVS, Walmart and Walgreens regarding the national opioid litigation described herein.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2023

ADOPTED BY THE FOLLOWING VOTE:

AYES: COUNCIL MEMBERS:
MAYOR:

NOES: COUNCIL MEMBERS:

ABSTAIN: COUNCIL MEMBERS:

ABSENT: COUNCIL MEMBERS:

ATTEST: _____
City Clerk of the City of Hayward

APPROVED AS TO FORM:

City Attorney of the City of Hayward