

HAYWARD CITY COUNCIL

RESOLUTION NO. 21-

Introduced by Council Member _____

RESOLUTION APPROVING PARTICIPATION IN THE NATIONAL OPIOID SETTLEMENT LITIGATION; 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 Ohio brought by states and cities against the three largest opioid distributors—McKesson, Cardinal Health and Amerisource Bergen — and the opioid manufacturer Janssen (owned by Johnson & Johnson); and

WHEREAS, the proposed settlement (Settlement) consists of an agreement with the opioid distributors and an agreement with manufacturer Janssen/Johnson & Johnson; and

WHEREAS, under the terms of the Settlement \$21 billion will be paid by the opioid distributors over an 18-year period and Janssen will pay \$5 billion over a 7- year period to states, cities, and counties; and

WHEREAS, under the terms of Settlement, California is scheduled to receive approximately somewhere between \$2.269 and \$2.34 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 Settlement in exchange for releasing its claims against the opioid distributors and Janssen/Johnson & Johnson; 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 Settlement; and

WHEREAS, opting-in to the settlement will enable the City to receive funds from the Settlement, 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 Settlement; 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 Settlement (“Allocation Agreement”); and

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

WHEREAS, jurisdictions must opt-in to the Settlement before January 2, 2022.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of Hayward that the terms of the settlement agreements with the Distributors and Janssen/Johnson & Johnson regarding the national opioid litigation described herein are hereby accepted.

BE IT FURTHER RESOLVED that the terms of the Allocation Agreement 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 settlement with the Distributors and Janssen/Johnson & Johnson regarding the national opioid litigation described herein.

IN COUNCIL, HAYWARD, CALIFORNIA _____, 2021

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