



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** December 9, 2024

SUBJECT: Approve Resolution No. 2024-050, approving the settlement and allocation of Kroger opioid settlement funds within the State of Texas through the Texas Attorney General's Office and authorizing the City Manager to execute settlement documents on the City's behalf.

PRESENTER: Trudy J. Lewis, Assistant City Manager

SUMMARY:

City Council is being asked to consider a resolution authorizing the City Manager to execute the Subdivision Settlement Participation Forms on the City's behalf in order to participate in the settlement entered into by the State of Texas through the Attorney General's Office with Kroger in the opioid epidemic litigation. The purpose of the settlement is to help abate and alleviate the impacts of the opioid epidemic throughout the United States.

GENERAL DESCRIPTION:

The State of Texas, along with a broad coalition of over 40 states and subdivisions, filed lawsuits against major pharmaceutical companies and distributors alleging unlawful practices in the marketing, sale, and distribution of opioids, and fraudulently misrepresenting the risk of opioid addiction to patients and doctors. On July 23, 2021, the Texas Attorney General announced that global settlements had been reached with the three major opioid distributors McKesson, Cardinal Health, and Amerisource Bergen (ABDC), and opioid manufacturer Johnson & Johnson (collectively the "Pharmaceutical Companies"). The City of North Richland Hills adopted Resolution 2021-036 allowing the city to participate in this settlement on December 13, 2021. North Richland Hills has received \$54,906.16 since that time.

The settlement funds can be used for a wide variety of strategies for prevention and treatment used to fight the opioid crisis, including expansion of training for first responders, coverage for uninsured individuals, preventative education for school-based and youth-focused programs, and treatment and recovery support services for the use of opioids and other illicit drugs.



The State of Texas has further sought settlement agreements with retail providers that sold opioid drugs. The Texas Attorney General's Office has recently reached a settlement agreement with Kroger that the City of North Richland Hills can participate in. The anticipated direct allocation for this agreement is \$11,027.67.

The deadline for political subdivisions to participate in the settlement is December 29, 2024.

RECOMMENDATION:

Approve Resolution No. 2024-050, approving the settlement and allocation of Kroger opioid settlement funds within the State of Texas through the Texas Attorney General's Office and authorizing the City Manager to execute settlement documents on the City's behalf.