

RESOLUTION NO. 2023-2297

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AUTHORIZING GOODYEAR'S PARTICIPATION IN THE NEW 2022 OPIOID SETTLEMENT WITH TEVA, ALLERGAN, CVS, WALGREENS, AND WALMART; PROVIDING AUTHORIZATION AND DIRECTION FOR THE CITY ATTORNEY AND/OR CITY MANAGER, OR HER DESIGNEE TO TAKE ANY AND ALL ACTIONS NECESSARY IN FURTHERANCE OF OPIOID SETTLEMENTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on November 8, 2021, City Council approved the City's participation in the One Arizona Distribution of the Opioid Settlement Funds Agreement. This 2021 Opioid Settlement Agreement set forth the distribution amounts and the approved uses for settlement funds received from several opioid drug manufacturers and distributors (Johnson & Johnson/Janssen, Cardinal, AmerisourceBergen, and McKesson); and

WHEREAS, the City's participation in the 2021 Opioid Settlement (which totaled about 26 billion dollars) was estimated to provide the City with approximately \$4.7 million dollars, over a period of 18 years to be used for various programs and expenditures earmarked to combat the effects of the recent opioid epidemic; and

WHEREAS, in late 2022, agreements were announced with three pharmacy chains: CVS, Walgreens, and Walmart; and, two additional manufacturers Allergan and Teva. In January 2023, each pharmacy chain and manufacturer confirmed that a sufficient number of states have agreed to participate in the settlements to move forward. As with the 2021 National Settlements, states and local governments that want to participate in the 2022 National Settlements, now will have the opportunity to "opt-in." The greater the level of subdivision participation, the more funds that will ultimately be paid out for abatement. Assuming maximum participation, the 2022 National Settlements require:

- 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; and
- Allergan to pay up to \$2.02 billion over seven years; and
- CVS to pay up to \$4.90 billion over 10 years; and
- Walgreens to pay up to \$5.52 billion over 15 years; and
- Walmart to pay up to \$2.74 billion in 2023, and all payments to be made within six years.

WHEREAS, City staff estimates that participation in this new 2022 Opioid settlement with Teva, Allergan, CVS, Walgreens and Walmart (which totals about 18.5 billion dollars) could provide the City with upwards of an additional \$3.3 million dollars over a 15-year period to be used for various programs and expenditures earmarked to combat the effects of the recent opioid epidemic; and

WHEREAS, the City may have the opportunity to participate in other opioid settlements in the future and therefore staff is requesting Council approval authorizing the City Attorney and City Manager to take any actions necessary to participate in the 2022 Opioid Settlement, as well as authorizing participation and actions necessary for any future opioid settlement opportunities.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GOODYEAR, MARICOPA COUNTY, ARIZONA, AS FOLLOWS:

SECTION 1. AUTHORIZE GOODYEAR'S PARTICIPATION IN THE NEW 2022 OPIOID SETTLEMENT WITH TEVA, ALLERGAN, CVS, WALGREENS, AND WALMART

The Mayor and Council of the city of Goodyear hereby authorize the City of Goodyear's anticipation in the new 2022 Opioid Settlement with Teva, Allergan, CVS, Walgreens, and Walmart.

SECTION 2. PROVIDING AUTHORIZATION AND DIRECTION

1. The Mayor and Council of the City of Goodyear hereby authorize the City Attorney to sign settlement participation forms and file court pleadings to effectuate the new 2022 Opioid Settlement with Teva, Allergan, CVS, Walgreens, and Walmart (the "2022 Opioid Settlement"); and, the Mayor and Council of the city of Goodyear hereby authorize the City Attorney and/or the City Manager or her designee to take any and all other actions necessary in furtherance/prosecution of the 2022 Opioid Settlement, and to carry out the intent of this Resolution.
2. The Mayor and Council of the City of Goodyear hereby authorize the City Attorney and/or City Manager, or her designee, to take any and all actions necessary to participate in any future opioid settlement opportunities.

SECTION 3. EFFECTIVE DATE

This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by the Mayor and Council of the City of Goodyear, Maricopa County, Arizona, by a _____ vote, this _____ day of _____, 20_____.

Joe Pizzillo, Mayor

Date: _____

ATTEST:

APPROVED AS TO FORM:

Darcie McCracken, City Clerk

Roric Massey, City Attorney