



# City of Margate

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## Legislation Text

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**File #:** ID 2021-389, **Version:** 1

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**TO:** Mayor and City Commission

**FROM:** Cale Curtis, City Manager

**DATE:** September 22, 2021

RESOLUTION - AUTHORIZING THE CITY OF MARGATE, FLORIDA TO JOIN WITH THE STATE OF FLORIDA AND OTHER LOCAL GOVERNMENTAL UNITS AS A PARTICIPANT IN THE FLORIDA MEMORANDUM OF UNDERSTANDING AND FORMAL AGREEMENTS IMPLEMENTING A UNIFIED PLAN FOR THE SETTLEMENT OF THE NATIONAL PRESCRIPTION OPIATE LITIGATION, MDL NO. 2804 (N.D. OHIO); DIRECTING THE CITY CLERK TO PROVIDE A COPY OF THIS RESOLUTION TO THE FLORIDA LEAGUE OF CITIES AND THE FLORIDA ATTORNEY GENERAL; AUTHORIZING THE EXECUTION OF ALL DOCUMENTS NECESSARY TO EFFECTUATE THE INTENT OF THIS RESOLUTION; PROVIDING FOR CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

**BACKGROUND:** Nationwide settlements have been reached to resolve all Opioids litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors: McKesson, Cardinal Health and AmerisourceBergen ("Distributors"), and manufacturer Janssen Pharmaceuticals, Inc. and its parent company Johnson & Johnson (collectively, "J&J"). If the proposed settlements are fully adopted by states and subdivisions nationwide, the Distributors will pay a maximum of \$21 billion over 18 years, while J&J will pay a maximum of \$5 billion over no more than nine years, with approximately \$22.8 billion in settlement proceeds payable to state and local subdivisions.

Of the funds going directly to participating states and subdivisions, at least 85% must be used for abatement of the Opioid Epidemic, with the overwhelming bulk of the proceeds restricted to funding future abatement efforts by state and local governments. Funds can begin to flow to states and local governments as early as April 2022, depending on when a settling state meets certain requirements. The settlements will allow for a broad range of approved abatement uses by state and local governments, including intervention, treatment, education, and recovery services so that state and local governments can decide what will best serve their communities.

The agreements, if adopted, will not settle or release any claims brought by private parties, including private individuals, private hospitals, or private third-party payers.

**RECOMMENDATION:** For approval.

**FISCAL IMPACT:** Estimated as between \$15,086.80 - \$28,018.34

**CONTACT PERSON:** David N. Tolces, Interim City Attorney