

RESOLUTION NO. 31566

A RESOLUTION AUTHORIZING THE CITY OF CHATTANOOGA TO JOIN THE STATE OF TENNESSEE AND OTHER LOCAL GOVERNMENTS IN AMENDING THE TENNESSEE STATE-SUBDIVISION OPIOID ABATEMENT AGREEMENT AND APPROVING THE RELATED SETTLEMENT AGREEMENTS.

WHEREAS, the opioid epidemic continues to impact communities in the United States, the State of Tennessee, and the City of Chattanooga, Tennessee.

WHEREAS, the City of Chattanooga has suffered harm and will continue to suffer harm as a result of the opioid epidemic;

WHEREAS, the State of Tennessee and some Tennessee local governments have filed lawsuits against opioid manufacturers, distributors, and retailers, including many federal lawsuits by Tennessee counties and cities that are pending in the litigation captioned In re: National Prescription Opiate Litigation, MDL No. 2804 (N.D. Ohio) (the MDL case is referred to as the “Opioid Litigation”);

WHEREAS, the City of Chattanooga has previously joined settlements with three pharmaceutical distributors and a manufacturer;

WHEREAS, certain pharmaceutical manufacturers and retail pharmacy chains have proposed settlements that the City of Chattanooga finds acceptable and in the best interest of the community;

WHEREAS, the Tennessee legislature enacted Public Chapter No. 491 during the 2021 Regular Session of the 112th Tennessee General Assembly and was signed into law by Governor Bill Lee on May 24, 2021, which addresses the allocation of funds from certain opioid litigation settlements;

WHEREAS, there is currently proposed legislation that would apply the statutory provisions passed in 2021 to the new manufacturer and retail pharmacy chain settlements;

WHEREAS, the State of Tennessee, non-litigating counties, and representatives of various local governments involved in the Opioid Litigation have adopted a unified plan for the allocation and use of certain prospective settlement and bankruptcy funds from opioid related litigation (“Settlement Funds”);

WHEREAS, the Tennessee State-Subdivision Opioid Abatement Agreement (the “Tennessee Plan”), attached hereto as “**Exhibit A**,” sets forth the framework of a unified plan for the proposed allocation and use of the Settlement Funds;

WHEREAS, amendments to the Tennessee Plan, attached hereto as “**Exhibit B**,” would extend its terms to the proposed settlements, streamline accounting for certain settlement funds, and address the allocation of certain funds from a manufacturer in bankruptcy; and

WHEREAS, participation in the settlements by a large majority of Tennessee cities and counties will materially increase the amount of settlement funds that Tennessee will receive from pending proposed opioid settlements;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY OF CHATTANOOGA, TENNESSEE,

Section 1. That the City of Chattanooga finds that the amendments to the Tennessee Plan are in the best interest of the City of Chattanooga and its citizens because they would ensure an effective structure for the commitment of Settlement Funds to abate and seek to resolve the opioid epidemic.

Section 2. That the City of Chattanooga hereby expresses its support for a unified plan for the allocation and use of Settlement Funds as generally described in the Tennessee Plan.

Section 3. That the Chattanooga Mayor Kelly is hereby expressly authorized to execute the amendments to the Tennessee Plan, in substantially the form attached, as “**Exhibit B**” and the County Mayor Wamp is hereby encouraged to execute any formal agreements necessary to implement a unified plan for the allocation and use of Settlement Funds that is substantially consistent with the Tennessee Plan and this Resolution.

Section 4. That the Chattanooga Mayor Kelly is hereby expressly authorized to execute any formal agreement and related documents evidencing the City of Chattanooga’s agreement to the settlement of claims [and litigation] specifically related to Teva Pharmaceutical Industries, Ltd., Allergan Finance, LLC, CVS Health Corporation, Walgreen Co., Walmart, Inc., and any other settlement of opioid-related claims that Tennessee has joined.

Section 5. That the Chattanooga Mayor Kelly is authorized to take such other action as necessary and appropriate to effectuate the City of Chattanooga’s participation in the Tennessee Plan and these settlements.

Section 6. This Resolution is effective upon adoption, the welfare of the City of Chattanooga, Tennessee, requiring it.

ADOPTED: April 11, 2023

/mem