

City Council Staff Report

**Date:**

December 15, 2021

Applicant:

Mapleton City

Prepared By:

Cory Branch, City
Administrator

Public Hearing:

No

Attachments:

1. Opioid Discussion
Outline
2. Resolution

REQUEST

Consideration of a Resolution authorizing Mapleton City to participate in Settlements regarding a number of pharmaceutical companies involvement with the opioid epidemic.

BACKGROUND & DESCRIPTION

The opioid epidemic has cost thousands of human lives across the country and impacts cities and counties by adversely impacting, amongst other things, the delivery of emergency medical, law enforcement, criminal justice, mental health, substance abuse services, and other services.

The State of Utah has been litigating for several years with a number of pharmaceutical companies regarding those companies involvement with the opioid epidemic. The State has agreed to a settlement. The scope and money are dependent on whether Utah cities and counties agree to that settlement. There has been disagreement among some Utah counties about whether to participate in the settlement or to continue their own litigation. The State is encouraging cities eligible to participate in the settlement. This request applies only to Utah cities with a population over 10,000 per the latest census. The approval process must be completed by early January 2022.

RECOMMENDATION

Staff is currently monitoring what Utah County and other local Utah cities are proposing to do and will discuss their findings at the night of the City Council meeting.

OPIOID DISCUSSION OUTLINE

Overview: The State of Utah has been litigating for several years with a number of pharmaceutical companies regarding those companies involvement with the opioid epidemic. Related litigation has been undertaken by all of Utah counties. No Utah cities have initiated litigation. The State has agreed to a settlement. The scope and money are dependent on whether Utah cities and counties agree to that settlement.

1. Available money
 - a. How much money is there?
 - i. State alone - \$151 million
 - ii. State and full local participation - \$270
 - iii. Payments over 18 years
 - b. County/State split
 - i. Legislative proposal: 55% to state, 45% to counties with city participation
 - ii. ULCT position on the county/state split?
 - c. Usage guidelines
 - i. Not mitigation money
 - ii. Available for treatment and prevention
 1. Most Utah cities do not provide these services/usually done at county/state level
 - d. General agreement of need for additional funding to cities that are providing homeless resources centers
 - e. City money largely tied to agreements with their counties. If a county refuses settlement, cities in those counties may be excluded.
2. Guardrails for county and state allocations
 - a. Maintenance of effort
 - i. Supplement, not supplant, existing funds
 - b. Need for "seat at the table" on any division of money
 - i. State must involve cities in discussion of how money is used
 - ii. Counties must involve cities in their counties in discussion of how money is used in each individual county
 - iii. Cities that provide services (i.e., first responder training, media campaigns, etc.) should be able to submit proposals or access block grants
 - iv. Cities and towns of less than 10,000 people but who have been negatively impacted must also be considered in discussions with the state and individual counties
3. Time Frames – Cities need to complete approval process by early January

RESOLUTION NO. 2021 -

A RESOLUTION AUTHORIZING MAPLETON CITY TO PARTICIPATE IN SETTLEMENTS REGARDING A NUMBER OF PHARMACEUTICAL COMPAINIES INVOLVEMENT WITH THE OPIOID EPIDEMIC

WHEREAS, various states and local governments have been engaged in opioid epidemic mitigation litigation against the three largest pharmaceutical distributors of opioids, McKesson, Cardinal Health and AmerisourceBergen and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson ("Janssen");

WHEREAS, after many years of negotiations, those states and local governments have reached nationwide settlements with the Distributors and Janssen (the settlements with the Distributors and Janssen are collectively referred to herein as the "Settlements");

WHEREAS, in addition to certain injunctive relief provisions, the Settlements require the Distributors and Janssen to pay at total of \$26 billion dollars to abate the opioid epidemic (the "Settlement Funds"). Of this amount, \$22.7 billion has been earmarked for use by participating states and local governments to remediate and abate the impacts of the opioid crisis;

WHEREAS, the Settlements have been structured to apportion a larger amount of the Settlement Funds to states whose local governments participate in the Settlements at a higher rate;

WHEREAS, the State of Utah has joined the Settlements and has requested that other Utah state local governments also participate in the Settlements;

WHEREAS, Mapleton City ("City") has not initiated its own litigation against the Distributors or Janssen;

WHEREAS, Mapleton City Council acknowledges it may not receive direct funds from the Settlements but nevertheless recognizes the tragic and ill effects of the opioid crisis in the community, throughout the State of Utah, and the nation and acknowledges that the City's participation in the Settlements will maximize the amount of Settlement Funds being paid to abate the opioid epidemic; and

WHEREAS, Mapleton City Council finds that participating in the Settlements promotes the health, safety and welfare of the residents of Mapleton City.

NOW THEREFORE, Mapleton City Council hereby authorizes the City to participate in the Settlements. Furthermore, Mapleton City Council hereby authorizes the Mayor, City Administrator, and City staff to take steps necessary to successfully fulfill the City's participation obligations.

PASSED AND ORDERED PUBLISHED BY THE CITY COUNCIL OF MAPLETON, UTAH this 15th Day of December 2021.

Dallas Hakes
Mayor

ATTEST:

Camille Brown
City Recorder