XXX-022023

RESOLUTION: Authorizing Winnebago County to Enter into the Settlement Agreements

with CVS, Walgreens, Walmart, TEVA, and Allergan, Agree to the Terms

of the Participation Agreement, and Authorize Execution of the

Participation Agreement

TO THE WINNEBAGO COUNTY BOARD OF SUPERVISORS:

WHEREAS, in Resolution No. 230-122017, the Winnebago County Board of Supervisors authorized Winnebago County to enter into an engagement agreement with von Briesen & Roper, s.c., Crueger Dickinson LLC, and Simmons Hanly Conroy LLC (the "Law Firms") to pursue litigation against certain manufacturers, distributors, and retailers of opioid pharmaceuticals (the "Opioid Defendants") in an effort to hold the Opioid Defendants financially responsible for Winnebago County's expenditure of vast money and resources to combat the opioid epidemic; and

WHEREAS, on behalf of Winnebago County, the Law Firms filed a lawsuit against the Opioid Defendants; and

WHEREAS, the Law Firms filed similar lawsuits on behalf of 66 other Wisconsin counties and all Wisconsin cases were coordinated with thousands of other lawsuits filed against the same or substantially similar parties as the Opioid Defendants in the Northern District of Ohio, captioned *In re: Opioid Litigation*, MDL 2804 (the "Litigation"); and

WHEREAS, four (4) additional Wisconsin counties (Milwaukee, Dane, Waukesha, and Walworth) hired separate counsel and joined the Litigation; and

WHEREAS, since the inception of the Litigation, the Law Firms have coordinated with counsel from around the country (including counsel for Milwaukee, Dane, Waukesha, and Walworth Counties) to prepare Winnebago County's case for trial and engage in extensive settlement discussions with the Opioid Defendants; and

WHEREAS, in addition to the \$26 billion in settlements with the Big 3 Distributors and Johnson and Johnson, which as of last year began making payments across the country, there are now 5 additional proposed national settlements; and

WHEREAS, proposed nationwide settlement agreements have been reached with 3 pharmacies - CVS, Walgreens, and Walmart – and 2 pharmaceutical manufacturers - TEVA and Allergan; and

WHEREAS, the settlement agreements (collectively "Settlement Agreements") require the settling pharmacies and manufacturers to pay billions of dollars to abate the opioid epidemic. Of the \$20+ billion settlement, approximately \$17 billion will be used by participating states and subdivisions to remediate and abate the impact of the opioid crisis; and

WHEREAS, Winnebago County is a Participating Subdivision in the Settlement Agreements and has the opportunity to participate in the benefits associated with the Settlement Agreement provided Winnebago County (a) approves the Settlement Agreements; (b) agrees to the terms of the Participation Agreement, a copy of which (is/will) be attached to this Resolution (the "Participation Agreement") and (c) authorizes execution of the Participation Agreement; and

WHEREAS, 2021 Wisconsin Act 57 created Section 165.12 of the Wisconsin Statutes relating to the settlement of all or part of the Litigation; and

WHEREAS, Wis. Stat. § 165.12(4)(b)2. provides the proceeds from the Settlement Agreement must be deposited in a segregated account (the "Opioid Abatement Account") and may be expended only for approved uses for opioid abatement as provided in the Settlement Agreements; and

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| 41 | WHEREAS, Winnebago County Resolution 242-122021 established the Opioid Abatement Account for the | | |
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| 42 | receipt of the proceeds of the Opioid Settlement Agreements; and | | |
| 43 | WHEREAS, Winnebago County's Opioid Abatement Account shall be separate from Winnebago County's | | |
| 44 | general fund, shall not be commingled with any other County funds, and shall be dedicated to funding opioid | | |
| 45 | abatement measures as provided in the Settlement Agreements; and | | |
| 46 | | | |
| 47 | | NOW, THEREFORE, BE IT RESOLVED by the Winnebago County Board of Supervisors that it hereb | y |
| 48 | approves: | | |
| 49 | 1. | The execution of Settlement Agreements with CVS, Walgreens, Walmart, TEVA, and Allergan and a | ıll |
| 50 | | documents ancillary thereto and authorizes the Winnebago County Executive to execute same. | |
| 51 | 2. | The terms of the Participation Agreement. | |
| 52 | 3. | The execution of the Participation Agreement by the Winnebago County Executive. | |
| 53 | BE IT FURTHER RESOLVED by the Winnebago County Board of Supervisors that all actions heretofore taken | | n |
| 54 | by the Winnebago County Board of Supervisors and other appropriate public officers and agents of Winnebago County | | |
| 55 | with respect to the matters contemplated under this Resolution are hereby ratified, confirmed and approved. | | |
| 56 | Fiscal Note: | These settlements will produce revenue to the County over a period of years in amounts which are no | ot |
| 57 | yet determined. Based on a comparison with previous settlements involving distributors, annual payments under these | | |
| 58 | settlements may be in the range of \$167,000 to \$315,000 per year over ten or more years. This revenue will be placed | | d |
| 59 | in the Opioid Abatement Account and must be spent on opioid abatement measures as allowed by the settlement | | ηt |
| 60 | agreements, v | with expenditures subject to future County Board approval. | |
| 61 | | Respectfully submitted by: | |
| 62 | | PERSONNEL & FINANCE COMMITTEE | |
| 63 | Committee Vo | | |
| 64 | | | |
| 65 | | JUDICIARY AND PUBLIC SAFETY COMMITTEE | |
| 66 | Committee Vo | ote: | |
| 67 | | | |
| 68 | | | |
| 69 | Vote Required | d for Passage: Majority of Those Present | |
| 70 | | | |
| 71 | Appro | oved by the Winnebago County Executive this day of, 2023. | |
| 72 | • • | | |
| 73 | | | |
| 74 75 | Jonathan D. Doemel Winnebago County Executive | | |
| 10 | | VVIIIIIGDAYO QUUITTY EXECUTIVE | |

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