



City of Richmond

900 East Broad Street
2nd Floor of City Hall
Richmond, VA 23219
www.rva.gov

Legislation Text

File #: RES. 2024-R023, **Version:** 1

To approve of the City's participation in the proposed settlement of opioid-related claims against Kroger, and their related corporate entities, and to direct the City Attorney to execute the documents necessary to effectuate the City's participation in the settlements, including the required release of claims against the settling entities.

WHEREAS, the opioid epidemic that has cost thousands of human lives across the country also impacts the City of Richmond by adversely impacting the delivery of emergency medical, law enforcement, criminal justice, mental health, and substance abuse services, and other services by the City's various departments and agencies; and

WHEREAS, the City has been required and will continue to be required to allocate substantial taxpayer dollars, resources, staff energy, and time to address the damage the opioid epidemic has caused and continues to cause the citizens of the City; and

WHEREAS, the City has filed suit against Kroger, and certain of their related corporate entities for their role in the distribution, manufacture, and sale of the pharmaceutical opioid products that have fueled the opioid epidemic that has harmed the City; and

WHEREAS, the City's suit seeks recovery of the public funds previously expended and to be expended in the future to abate the consequences and harms of the opioid epidemic; and

WHEREAS, settlement proposals, similar to those entered into with McKesson, Cardinal Health, and AmerisourceBergen (the "Distributors") and Janssen Pharmaceuticals ("Janssen"), have been negotiated that will cause Kroger to pay billions of dollars nationwide to resolve opioid-related claims against them; and

WHEREAS, the City has approved and adopted the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding (the "Virginia MOU"), and affirms that this pending settlements

with Kroger shall be considered a “Settlement” subject to the Virginia MOU, and shall be administered and allocated in the same manner as the opioid settlements entered into previously with the Distributors and Janssen; and

WHEREAS, the City’s outside opioid litigation counsel has recommended that the City participate in the settlements in order to recover its share of the funds that the settlement would provide; and

WHEREAS, the City Attorney has reviewed the available information about the proposed settlements and concurs with the recommendation of outside counsel;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the City Council approves of the City’s participation in the proposed settlement of opioid-related claims against Kroger, and their related corporate entities, and directs the City Attorney to execute the documents necessary to effectuate the City’s participation in the settlements, including the required release of claims against the settling entities.

APPROVED AS TO FORM:

CITY ATTORNEY’S OFFICE