



Legislation Text

File #: RES. 2025-R036, **Version:** 1

To approve of the City’s participation in the proposed settlement of opioid-related claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz, 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 Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz, 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”), Janssen Pharmaceuticals (“Janssen”), and Kroger (“Kroger”) have been negotiated that will cause Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz 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 Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz 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, Janssen, and Kroger; 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 Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz, 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.

City of Richmond

Intracity Correspondence

O&R Transmittal

DATE: Tuesday, July 15, 2025
TO: The Honorable Members of City Council
THROUGH: The Honorable Dr. Danny Avula, Mayor
THROUGH: Odie Donald II, Chief Administrative Officer

THROUGH: Amy Popovich, DCAO for Human Services

FROM: Jason Alley, Policy Advisor, Opioid and Substance Use Response

RE: To approve of the City's participation in the proposed settlement of opioid-related claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz.

ORD. OR RES. No.

PURPOSE: To approve of the City's participation in the proposed settlement of opioid-related claims against Alvogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz, 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.

BACKGROUND: By Res. No. 2018-R094, adopted Nov. 13, 2018, the City Council established a policy to pursue legal action on behalf of the City against drug manufacturers and distributors of opioids. Pursuant to Ord. No. 2021-234, adopted Sept. 27, 2021, the City entered into a Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding with the Attorney General of Virginia providing for the allocation and use of monies recovered through litigation concerning the opioid addiction epidemic. Res. No. 2021-R078, adopted Dec. 13, 2021, approved of the City's participation in settlements with McKesson, Cardinal Health, AmerisourceBergen, and Janssen Pharmaceuticals. Res. No. 2023-R010, adopted Feb. 27, 2023, approved of the City's participation in settlements with Teva, Allergan, Walmart, Walgreens, CVS, and certain of their related corporate entities. Res. No. 2024-R023, adopted June 28, 2024, approved of the City's participation in settlements with Kroger and their related corporate entities. Similar to previous settlements, the City is eligible to participate in the proposed settlement of opioid-related claims against Alyogen, Amneal, Apotex, Hikma, Indivior, Mylan, Sun Pharmaceuticals, Zydus, and Sandoz, and their related corporate entities. The City Attorney and the City's outside counsel recommend that the City participate in these new proposed settlements. The deadline to accept these funds is October 8, 2025.

COMMUNITY ENGAGEMENT: N/A

STRATEGIC INITIATIVES AND OTHER GOVERNMENTAL: RES. 2022-R013 declaring opioid drug overdose deaths as a public health crisis in the City of Richmond.

FISCAL IMPACT: Increase in new revenues of an unknown amount.

DESIRED EFFECTIVE DATE: Upon adoption

REQUESTED INTRODUCTION DATE: September 8, 2025

CITY COUNCIL PUBLIC HEARING DATE: September 22, 2025

REQUESTED AGENDA: Consent agenda

RECOMMENDED COUNCIL COMMITTEE: Education and Human Services

AFFECTED AGENCIES: City Attorney and Office of Opioid and Substance Use Response

RELATIONSHIP TO EXISTING ORD. OR RES.: Res. No. 2018-R094; Ord. No. 2021-234; Res. No. 2021-R078; Resolution 2022-R013; Res. No. 2023-R010; Res. No. 2023-293; Res. No. 2024-023

ATTACHMENTS: None

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