RESOLUTION 21-22

RESOLUTION PROPOSING OPT OUT OF OPIOIDS SETTLEMENTS PURSUANT TO INDIANA CODE § 4-6-15-2

- WHEREAS, on February 9, 2018, the City of Bloomington ("City"), through its attorneys, Cohen and Malad, filed a complaint in the U.S. District Court for the Southern District of Indiana against various manufacturers and wholesale distributors of opioids, alleging significant harm to the City and its residents from the actions of the defendants in flooding the market with opioids; and
- WHEREAS, in February 2018, the City's lawsuit was consolidated with other similar government actions across the country in the US District Court for the Northern District of Ohio as a "multidistrict litigation" action ("Opioids MDL"); and
- WHEREAS, the Opioids MDL continues to work its way through the litigation process, with, among other things, hearings, addition of new defendants, discovery, and ongoing attempts at settlement; and
- WHEREAS, in anticipation of an eventual global settlement, some states that had filed opioid lawsuits began working with their political subdivisions, such as counties and cities that had also filed opioid lawsuits, to reach agreement on a state-wide plan for allocating national settlement funds that would otherwise be awarded to the units individually; and
- WHEREAS, in April of 2021, information was circulated that there was a potential national settlement nearing agreement of plaintiffs' claims with some or all of the Opioid MDL defendants, yet, to date, there are no final, written agreements to resolve opioid claims on a global basis, and no preliminary memorandum of understanding or term sheet has been disclosed; and
- WHEREAS, in the final days of the 2021 legislative session, legislation was inserted into the annual budget bill as a new chapter, IC 4-6-15-1 *et seq.*, mandating a process for allocation of opioid settlement funds that would otherwise be awarded individually to political subdivisions in Indiana who had filed opioid lawsuits ("Opioids Settlements"); and
- WHEREAS, IC 4-6-15-1 *et seq.* was adopted with virtually no participation or agreement of local government plaintiffs; and
- WHEREAS, IC 4-6-15-1 *et seq.* would significantly reduce the discretion of the City and all Indiana Opioid MDL plaintiffs with regard to their lawsuits, and possibly reduce their damage awards, and further, lacks crucial details about the allocation process and about other issues; and
- WHEREAS, IC 4-6-15-2 provides Indiana political subdivisions that filed opioid lawsuits on or before January 1, 2021 with the ability to "opt out" of the Opioids Settlements proposed in IC 4-6-15-1 *et seq.* by June 30, 2021, and the ability to opt back in within sixty (60) days after opting out;

NOW, THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. The City of Bloomington, having considered whether to elect to opt out of the Opioids Settlements as permitted under Indiana Code 4-6-15-2, hereby exercises its election to opt out of the Opioids Settlements, and orders its duly authorized agent to submit a certified copy of this Resolution to the Indiana Attorney General by June 30, 2021.

SECTION 2. BE IT FURTHER RESOLVED that by adopting this Resolution, the City of Bloomington elects to continue pursuing its individual case against opioid defendants as part of the Opioids MDL.

SECTION 3. BE IT FURTHER RESOLVED that the City of Bloomington will continue to monitor developments with the Opioids MDL and may recommend opting back in to the Opioids Settlements within sixty (60) days after opting out.

SECTION 4. This resolution shall be in full force and effect from and after its passage by the Common Council of the City of Bloomington and approval of the Mayor.

JIM SIMS, President Bloomington Common Council

ATTEST: L

NICOLE BOLDEN, Clerk City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana upon this 25 day of 2021.

NICOLE BOLDEN., Clerk. City of Bloomington

SIGNED and APPROVED by me upon this <u>25</u> day of <u>Unac</u>, 2021.

JOHN HAMILTON, Mayor

City of Bloomington

SYNOPSIS

By adopting <u>Resolution 21-22</u>, the City exercises its option to opt out of a statewide settlements allocation process established by the Indiana Attorney General and codified at IC 4-6-15, *et seq.* The Administration does not believe the proposed Indiana settlement process is in the best interests of the City as it pursues its claims against opioid defendants in the national opioid multi-district litigation consolidated in the US District Court for the Northern District of Ohio. This opt out is permitted under IC 4-6-15-2.

Distributed to: Clerk, Council Attorney, Legal, Mayor