

MOTION

BUDGET & FINANCE


In May 2018, the City of Los Angeles filed a lawsuit against several opioid manufacturers and distributors (City of Los Angeles v. Purdue Pharma L.P. et al.) alleging public nuisance, Racketeer Influenced and Corrupt Organizations (RICO) violations, and negligence claims. In March 2019, the City filed an amended complaint and added several opioid retailers as defendants.

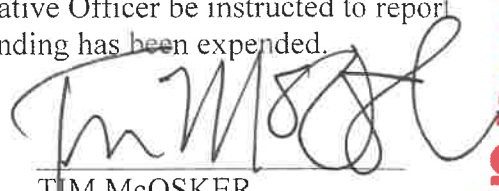
In November 2022, Council approved a settlement with the "Big Three" distributors (Amerisource Bergen, Cardinal Health and McKesson) and several manufacturers (Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho McNeil Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica). A separate settlement with opioid retailers (Teva Pharmaceutical Industries Ltd and Teva Pharmaceuticals USA Inc.; Allergan Finance, LLC and Allergan Limited; Walmart Inc.; Walgreen Co., and CVS Health Corporation and CVS Pharmacy, Inc.) is currently pending Council consideration.

The exact amount payable to the City would depend on the number of municipalities participating in the settlement as well as the outcome of current litigation and any future litigation claims. The majority of settlement funds received by the City are to be spent on opioid remediation programs, including homeless and housing programs for those affected by opioids. All settlement funds received by the City must be tracked and allocated with annual reports submitted to the State with details on expenditures. In addition to reporting to the State, Council should be made aware of the amount of settlement funds received as well as the way in which funds have been expended.

I THEREFORE MOVE that, once proceeds from the City of Los Angeles v. Purdue Pharma, L.P. et al. litigation have been received, the City Administrative Officer be instructed to report biannually on the amount the City has received and how funding has been expended.

PRESENTED BY:

  
BOB BLUMENFELD  
Councilmember, District Three

  
TIM McOSKER  
Councilmember, District One-Five

ORIGINAL

SECONDED BY:





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