



Legislation Text

File #: 22-0146, Version: 1

City of Alexandria, Virginia

MEMORANDUM

DATE: August 10, 2021

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: MARK JINKS, CITY MANAGER /s/
JOANNA ANDERSON, CITY ATTORNEY /s/

DOCKET TITLE:

Consideration of a resolution authorizing the City Manager to enter into the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding with the Commonwealth of Virginia for the allocation of funds from settlements of litigation regarding the opioid addiction epidemic.[ROLL-CALL VOTE]

ISSUE: Consideration of a Memorandum of Understanding (MOU) with the Commonwealth of Virginia to determine how funds allocated to the state in the settlements of litigation filed to recover for costs of the opioid addiction epidemic will be allocated among the state, the localities and the abatement fund.

RECOMMENDATION: That City Council adopt the resolution attached as Attachment 1 authorizing the City Manager to enter into the Virginia Opioid Abatement Fund and Settlement Allocation Memorandum of Understanding on behalf of the City.

BACKGROUND: The City of Alexandria along with at least 78 other Virginia localities, has for many months been engaged in litigation against various supply chain defendants involved in the manufacture, sale and distribution of pharmaceutical opioid products. The City's suit seeks recovery of the public funds previously expended and to be expended in the future combatting opioid addiction and its many outgrowths. Similar lawsuits asserting claims on behalf of the Commonwealth have been filed by the Virginia Office of the Attorney General (OAG). This same type of litigation by state and local actors is occurring across the country. These suits are starting to come to a close through either settlements or bankruptcy plans which means funds from the litigation will start to flow to the states and localities in the coming months.

DISCUSSION: The MOU is the culmination of many months of discussion between local governments and the Office of the Attorney General ("OAG") on how best to manage and allocate any settlement funds received

through the ongoing parallel litigation efforts of state and local governments to recover costs associated with opioid addiction. It is the product of a healthy give and take between the OAG and representatives of local government. It strikes a delicate balance between the interests of both state and local government in maximizing the impact of funding for the treatment, prevention and reduction of opioid use and misuse.

We believe the allocation set forth in the MOU is a fair way to distribute the funds and puts the localities including Alexandria in a better position than it would be in if the funds were allocated directly from the settlements and not through an MOU. Many of the other localities who have brought this litigation have already agreed to sign on to the MOU including Fairfax, Prince William County and Arlington.

FISCAL IMPACT: None. The MOU only sets forth the process by which the funds will be allocated. The actual settlements and therefore, the funds that will flow to Alexandria, are not yet in place.

ATTACHMENTS:

Attachment 1: Resolution with MOU attached

STAFF: