



**Mayor and Council**

400 Witherspoon Street  
Princeton, NJ 08540

Meeting: 12/21/21 07:00 PM  
Department: Clerk

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**RESOLUTION 21-394**

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**Resolution of the Mayor and Council of Princeton Authorizing Participation in the Nationwide Settlement Agreements with Johnson & Johnson, McKesson, Cardinal Health, and AmerisourceBergen to Resolve Claims Involving Their Roles in the Country's Opioid Crisis**

**WHEREAS**, after years of negotiations, two proposed nationwide settlement agreements (“settlements”) have been reached that would resolve all opioid litigation brought by states and local political subdivisions against the three largest pharmaceutical distributors, McKesson, Cardinal Health and AmerisourceBergen (“distributors”), and one manufacturer, Janssen Pharmaceuticals, Inc., and its parent company Johnson & Johnson (collectively, “Johnson & Johnson”); and

**WHEREAS**, the proposed settlements require the distributors and Johnson & Johnson to pay billions of dollars to abate the opioid epidemic. Specifically, the settlements require the distributors to pay up to \$21 billion over 18 years and Janssen to pay up to \$5 billion over no more than 9 years, for a total of \$26 billion (the “settlement amount”). Of the settlement amount, approximately \$22.7 billion is earmarked for use by participating states and subdivisions to remediate and abate the impacts of the opioid crisis; and

**WHEREAS**, the settlements also contain injunctive relief provisions governing the opioid marketing, sale and distribution practices at the heart of the states’ and subdivisions’ lawsuits and further require the distributors to implement additional safeguards to prevent diversion of prescription opioids; and

**WHEREAS**, each of the proposed settlements has two key participation steps: first, each state decides whether to participate in the settlements, and second the subdivisions within each participating state must then decide whether to participate in the settlements; and

**WHEREAS**, the more subdivisions that participate, the greater the amount of funds that flow to that state and its participating subdivisions; and

**WHEREAS**, any subdivision that does not participate cannot directly share in any of the settlement funds, even if the subdivision’s state is settling and other participating subdivisions are sharing in settlement funds; and

**WHEREAS**, New Jersey has joined both settlements; and

**WHEREAS**, the deadline for New Jersey’s subdivisions (*i.e.* counties and municipalities) to join the settlements is January 2, 2022; and

**WHEREAS**, participation in the nationwide settlements will not only hold the companies financially accountable by requiring payments of as much as \$26 billion, the settlements will

provide funding to support programs that address the opioid epidemic in New Jersey and across the country, and will require significant changes in the pharmaceutical industry aimed at preventing similar crises in the future; and

**WHEREAS**, the opioid epidemic continues to devastate communities around the country and it is critical that the funds begin to flow to allow governments to address the epidemic in their communities as soon as possible;

**WHEREAS**, the amounts to be paid under the settlements, while insufficient to abate the epidemic fully, will allow state and local governments to commence with meaningful change designed to curb opioid addiction, overdose and death; and

**WHEREAS**, if there is not sufficient subdivision participation in these proposed settlements, the settlements will not be finalized, the important business practice changes will not be implemented, the billions of dollars in abatement funds will not flow to communities, and more than 3,000 cases may be sent back to their home courts for trial, which will take many years; and

**WHEREAS**, the extent of participation also will determine how much money each state and its local subdivisions will receive because approximately half of the abatement funds are in the form of "incentive payments," *i.e.*, the higher the participation of subdivisions in a state, the greater the amount of settlement funds that flow into that state; and

**WHEREAS**, the fewer subdivisions that participate, the less money New Jersey and its subdivisions will receive; and


**WHEREAS**, accordingly, the Mayor and Council find that it is in the best interests of Princeton and its residents to participate and join in the settlements in order to hold these companies financially accountable for the ongoing opioid crisis and to implement the necessary changes to prevent such a crisis from happening again in the future;

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Council of Princeton as follows:

1. The Mayor, Clerk, Administrator, Attorney and any other municipal official that may be appropriate, be and are hereby authorized and directed to sign any documents and undertake any acts necessary in order to join the settlements with Johnson & Johnson, McKesson, Cardinal Health and AmerisourceBergen to resolve claims involving their participation in the opioid crisis.
2. The Clerk shall cause a copy of this resolution to be sent to the Office of the Attorney General and the New Jersey League of Municipalities.
3. This resolution shall take effect immediately.

Councilperson	Absent	Present	1 <sup>st</sup>	2 <sup>nd</sup>	Yea	Nay	Abstain	Disqualified
Mr. Cohen		X	X		X			
Ms. Fraga		X			X			
Ms. Pirone Lambros		X			X			
Ms. Niedergang		X		X	X			
Ms. Sacks		X			X			
Mr. Williamson	X							
Mayor Freda		X						

I, Delores A. Williams, RMC, Clerk of Princeton, do hereby certify that the above is a true copy of a resolution adopted by the Mayor and Council of Princeton at a regular meeting held on December 21, 2021.



Delores A. Williams, RMC, Clerk

**ATTACHMENTS:**

- MGP memo 12-17-21 re national opioid settlement agreements (PDF)