Resolution 26-17

Approve Execution of Litigation Engagement Agreement Against Opioid Manufacturers

WHEREAS, Price County ("County") is concerned with the recent rapid rise in troubles among County citizens, residents, and visitors in relation to problems arising out of the use, abuse and overuse of opioid medications, which according to certain studies, impacts millions of people across the country; and

WHEREAS, issues and concerns surrounding opioid use, abuse and overuse by citizens, residents and visitors are not unique to County and are, in fact, issues and concerns shared by all other counties in Wisconsin and, for that matter, states and counties across the country, as has been well documented through various reports and publications, and is commonly referred to as the Opioid Epidemic ("Opioid Epidemic"); and

WHEREAS, the societal costs associated with the Opioid Epidemic are staggering and, according to the Centers for Disease Control and Prevention, amount to over $75 billion annually; and

WHEREAS, the National Institute for Health has identified the manufacturers of certain of the opioid medications as being directly responsible for the rapid rise of the Opioid Epidemic by virtue of their aggressive and, according to some, unlawful and unethical marketing practices; and

WHEREAS, certain of the opioid manufacturers have faced civil and criminal liability for their actions that relate directly to the rise of the Opioid Epidemic; and

WHEREAS, County has spent millions in unexpected and unbudgeted time and resources in its programs and services related to the Opioid Epidemic; and

WHEREAS, County is responsible for a multitude of programs and services, all of which require County to expend resources generated through state and federal aid, property tax levy, fees and other permissible revenue sources; and

WHEREAS, County's provision of programs and services becomes more and more difficult every year because the costs associated with providing the Opioid Epidemic programs and services which continue to rise, yet County's ability to generate revenue is limited by strict levy limit caps and stagnant or declining state and federal aid to County; and

WHEREAS, all sums that County expends in addressing, combatting and otherwise dealing with the Opioid Epidemic are sums that cannot be used for other critical programs and services that County provides to County citizens, residents and visitors; and

WHEREAS, County has been informed that numerous counties and states across the country have filed or intend to file lawsuits against certain of the opioid manufacturers in an effort to force the persons and entities responsible for the Opioid Epidemic to assume financial responsibility for the costs associated with addressing, combatting and otherwise dealing with the Opioid Epidemic; and

WHEREAS, County has engaged in discussions with certain law firms regarding the possibility of pursuing claims against certain of the opioid manufacturers on a contingent basis; and

WHEREAS, the law firms are currently in the process of drafting an engagement agreement that would contain the specific terms of representation for the County in relation to the potential claims; and

WHEREAS, County is informed that the Wisconsin Counties Association has engaged in extensive discussions with the same law firms and has expressed a desire to assist the law firms, County and other counties in the prosecution of claims against certain of the opioid manufacturers; and
WHEREAS, County believes it to be in the best interest of County, its citizens, residents, visitors and taxpayers to join with other counties in and outside Wisconsin in pursuit of claims against certain of the opioid manufacturers, subject to completing the negotiation of an engagement agreement with the law firms; and

WHEREAS, by pursuing the claims against certain of the opioid manufacturers, County is attempting to hold those persons and entities that had a significant role in the creation of the Opioid Epidemic responsible for the financial costs assumed by County and other public agencies across the country in dealing with the Opioid Epidemic.

NOW, THEREFORE, BE IT RESOLVED: County authorizes the Board Chair to execute the engagement agreement with the law firms provided that there is no out-of-pocket cost to County and further provided that the Board Chair, Administrator and Corporation Counsel have reviewed and approved the form of the engagement agreement; and

BE IT FURTHER RESOLVED: County shall endeavor to faithfully perform all actions required of County in relation to the claims contemplated herein and in the engagement agreement and hereby directs all County personnel to cooperate with and assist the law firms in relation thereto.

Submitted by the Price County Executive Committee:

Bruce Jilka, Chair
James Hintz
Larry Palecek

Reviewed by County Administrator:

Nicholas Trimner

Adopted by the Price County Board of Supervisors this 19th day of September, 2017.

Bruce Jilka, County Board Chair
Jean Gottwald, County Clerk

For: 12    Against: 0