

Memorandum

REPORT TO: City Commission

FROM: Kelley Rischke, Assistant City Attorney
Greg Sullivan, City Attorney

SUBJECT: Authorize City Manager to Sign on to a National Opioid Settlement with Remnant Defendants and Release the City's Legal Claims Against the Remnant Defendants

MEETING DATE: April 7, 2026

AGENDA ITEM TYPE: Agreement - Legal

RECOMMENDATION: Authorize City Manager to sign on to a national opioid settlement with remnant defendants and release the City's legal claims against the remnant defendants.

STRATEGIC PLAN: 1.3 Public Agencies Collaboration: Foster successful collaboration with other public agencies and build on these successes.

BACKGROUND: The City of Bozeman is eligible to join a national opioid settlement with "remnant defendants" negotiated in the national opioid litigation. The remnant defendants are several national grocery store chains with pharmacies that dispensed opioid prescription drugs to patients across the country and contributed to the opioid crisis in America. If the City signs on to this settlement, it will receive a direct, one-time payment from the settlement funds to be used for remediation of the effects of the opioid crisis in the Community. To sign on, the City must release any claims it could bring against the remnant defendants.

The City has not filed a lawsuit against any defendant in the national opioid litigation. However, the defendants wish to negotiate a settlement with any political subdivision (i.e. municipalities and county governments) that could potentially bring claims. The City has joined 12 of these opioid settlements since 2021 against various manufacturers, distributors, and pharmacy chain defendants. Because the City has chosen not to litigate due to the time and resources required to independently litigate these cases, its best opportunity to receive any funds to address the opioid crisis is through settlement. The City has been paid \$143,163 in settlement funds to-date from these previous settlements. All funds from the opioid settlement are restricted and must be used for evidence-based strategies, programming and services to address the misuse and abuse of opioids, treat or mitigate opioid misuse or related disorders, and mitigate other harms from overprescribing opioids. A document from the national opioid settlement with approved uses of

settlement funds is attached to this memorandum.

To join the settlement, the City must sign a Participation and Release Form, which is attached to this memorandum. The Settlement Agreement and other documents related to this and all other opioid settlements are found at www.nationalopioidsettlement.com. The deadline to sign on to this settlement is May 4, 2026.

UNRESOLVED ISSUES: None.

ALTERNATIVES: Decline to join this opioid settlement and do not sign the required documents.

FISCAL EFFECTS: The precise amount the City will receive is unknown at this time. The total amount of the settlement is \$97,625,000. Of that amount, the City's share of the settlement is 0.0070165163%. The amount of money distributed to the City may depend on how many political subdivisions decide to participate in the settlement. The City will receive its share of the settlement funds as a one-time payment. All settlement funds must be used by participating governments to remediate and abate the impacts of the opioid crisis.

Attachments:

[List-of-Opioid-Remediation-Uses.pdf](#)

[Remnant-Exhibit-G-Subdivision-Settlement-Participation-Form.pdf](#)

Report compiled on: March 10, 2026