



Legislation Text

File #: 221722, Version: 0

IMMEDIATE ADOPTION

221722
ORIGINAL

ALD. BORKOWSKI

Resolution relating to authorization of the settlement proposal and appropriation of funds from the Juul Labs, Inc. lawsuit.

This resolution authorizes settlement of the lawsuit entitled *In re: Juul Labs Inc., Marketing, Sales Practices, and Products Liability Litigation*, Case No. 3:19-md-02913, pending in the U.S. District Court for the Northern District of California and appropriates funds in the total amount of \$2,473,772.52.

Whereas, The City of Milwaukee filed a lawsuit against JUUL Labs, Inc., et. al., on December 21, 2020, in the U.S. District Court for the Northern District of California, Case No. 3:2020-cv-09269; and

Whereas, The City's claim was subsequently consolidated in a multi-district litigation action, *In re: Juul Labs Inc., Marketing, Sales Practices, and Products Liability Litigation*, Case No. 3:19-md-02913, pending in the U.S. District Court for the Northern District of California; and

Whereas, The City asserted various claims against the defendants that alleged that as a result of defendants' conduct, youth e-cigarette and vapor use escalated, causing a public health crisis; and

Whereas, The City sought damages, and any other eligible monetary relief, to address, remedy, and abate the youth e-cigarette and vaping public health crisis in Milwaukee; and

Whereas, Pursuant to and following extensive litigation and discovery, defendant JUUL Labs, Inc., made an offer of settlement for all potential settling governmental entities in the multi-district litigation, including the City of Milwaukee; and

Whereas, Counsel for the parties have reached an agreement to settle the above-referenced lawsuit for a total amount of \$2,473,772.52 to be paid to the City subject to approval by the Common Council; and

Whereas, The total amount shall be paid in installments, with the first installment amounting to 50% of the total, and smaller increments paid thereafter; and

Whereas, The total amount may increase, as there is a litigation reserve; and

Whereas, The City Attorney recommends and the Common Council of the City of Milwaukee deems it expeditious and just to settle this lawsuit; and

Whereas, The appropriation of the funds received will be determined via subsequent legislation; now, therefore, be it

Resolved, By the Common Council of the City of Milwaukee, that a settlement of \$2,473,772.52 from the law suit entitled *In re: Juul Labs Inc., Marketing, Sales Practices, and Products Liability Litigation*, Case No. 3:19-md-02913, is authorized, and the funds appropriated to the JUUL Labs Settlement Proceeds Fund 987038-0001-1490-2632; and, be it

Further Resolved, That the proper City officials are authorized to execute the necessary documents to effectuate the intent of this resolution.

City Attorney's Office
LRB177937-1
Tea B. Norfolk
2/27/23