FILED IN THE DISTRICT COURT OF CLEVELAND COUNTY STATE OF OKLAHOMA MAY \$1 2019

STATE OF OKLAHOMA

STATE OF OKLAHOMA, ex rel., MIKE HUNTER, ATTORNEY GENERAL OF OKLAHOMA,) In the office of the) Court Clerk MARILYN WILLIAMS
Plaintiff,	Case No. CJ-2017-816
v .	Honorable Thad Balkman
PURDUE PHARMA L.P., et al.,	 Special Discovery Master: William C. Hetherington, Jr.
Defendants.) witham C. Hetherington, Jr.

<u>MOVANT COMANCHE COUNTY'S REPLY TO</u> <u>THE STATE OF OKLAHOMA'S OPPOSITION TO COMANCHE COUNTY'S</u> <u>MOTION TO INTERVENE</u>

The State's response to Comanche County's motion is long on hyperbole but short on facts. However, there are several unavoidable truths here for the State: (1) contrary to the arguments of its privately retained litigation counsel, the State continues to make public statements confirming its remaining claims purport to cover the interests of cities and counties (*see infra* at 1-2); (2) despite repeated discussions with the State, there has been an utter lack of transparency with cities and counties concerning the State's abatement model and use of their claims (*see infra* at 3-4); and (3) this lack of notice left Comanche County in the dark about the impact of this litigation on its claims, consigning Comanche County to glean the issues from public filings and hearing transcripts (*see infra* at 3-4). In other words, the State laid behind the log about its abatement model for cities and counties and now tries to claim the benefit of delay it caused. Understandably, Comanche County was left with no choice but to seek intervention and it timely did so under the conditions created by the State.

I. Comanche County has a significant interest in this Case as a result of the State's now admitted abatement model.

The baseless statement that Comanche County does not have an interest in the State's case defies common sense and the Attorney General's statements to the contrary. While counsel for the State attempts to disguise their arguments with speculative and inflammatory statements, the Office of the Attorney General, as opposed to the writings of its privately retained counsel, has publicly stated that the \$12.5 million allocation to cities and counties from the Purdue Settlement was to "go towards providing funds to directly abate and address the opioid epidemic's effects in Oklahoma's cities and counties."¹ Attorney General Mike Hunter has publicly stated the same, including recently at the Association of County Commissioners of Oklahoma, where he said that the allocation of funds to cities and counties from the Purdue Settlement was a "down payment" and that there would be more to come after the bench trial, if successful. Furthermore, the Attorney General is, at the very moment this briefing is occurring, discussing allocation with retained counsel for dozens of cities and counties. So, far from "speculation," Comanche County has recently learned directly from the horse's mouth that the State does intend to litigate its interests in this case. The State's assertion that Comanche County's interests in this litigation "remain conjecture," is simply false.

Another red herring from the State is the attempt to draw a distinction between the equitable nature of abatement being sought by the State and compensatory damages sought by Comanche County in the context of public nuisance. To be clear, Comanche County is also seeking abatement of the opioid nuisance within its county limits based on the same conduct of the Defendants in the State's case. Not only does Comanche County undoubtedly have interests

¹ Gerszewski, Alex, <u>Attorney General Hunter Announces Historic \$270 Million Settlement with Purdue</u> <u>Pharma, \$200 Million to Establish Endowment for OSU Center for Wellness</u>, March 26, 2019, available at http://www.oag.ok.gov/attorney-general-hunter-announces-historic-270-million-settlement-withpurdue-pharma-200-million-to-establish-endowment-for-osu-center-for-wellness (emphasis added).

in the State's case, but those interests have also been impaired by the Purdue Settlement and are being impeded with the remaining equitable claim of abatement *currently* being pursued by the State.

II. Comanche County acted timely under the circumstances created by the State and is not adequately represented.

"The timeliness of a motion to intervene is determined, not by reference to the date on which the suit began or the date on which the would-be intervenors learned that it was pending, but rather by reference to the date when the movants learned that intervention was needed to protect their interests." *NAACP v. New York*, 413 U.S. 345, 374 (1973). "The analysis is contextual; absolute measures of timeliness should be ignored." *Utah Ass'n of Counties v. Clinton*, 255 F.3d 1246, 1250 (10th Cir. 2001).

The State, however, seeks just the opposite, pointing to the filing date of its lawsuit and absolute measures of time as the most important factors. But the context tells a different story. The first inkling Comanche County had that the State was asserting its claims was a third party subpoena issued to it by Purdue in January 2019, approximately ninety days before Comanche County filed its motion. That subpoena was far from clear as to the State's abatement model and actual overlap with Comanche County's claims. *See* State's Response at 13 ("Certain documents that would allow Purdue to determine *whether* Movants were claiming any categories of damages that overlapped with those being claimed by the State") (emphasis added).

The subpoena proves Comanche County's point: even Purdue, an original litigant in this case participating in extensive discovery, was unable to ascertain *whether* there was overlap. But, according to the State, somehow Comanche County was supposed to immediately seek intervention? Comanche County did not sit idly by. It engaged in extensive discussions with the State and Purdue to ascertain if there was overlap, but the information flow was a one-way street;

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Comanche County was forced to produce documents and information, but none were shared with it. Comanche County remained in the dark, at the State's control.

Then, the Purdue Settlement was publicly announced without warning on March 26, 2019, all while the State continued to tight-hole its abatement model. In this public announcement, Comanche County first learned the State was in fact asserting the claims of cities and counties.² See supra at n. 1 (The Purdue Settlement provides "funds to directly *abate* and address the opioid epidemic's effects *in Oklahoma's cities and counties*." (emphasis added)). Nevertheless, Comanche County *still* engaged in discussions with the State after this announcement, but the State continued to withhold its abatement model. Left with no other choice, Comanche County filed its Motion to Intervene less than three weeks after the public announcement, hardly dilatory and not a "wait-and-see" approach.

Courts do not reward litigants when their conduct causes the delay in seeking intervention. *See Clark v. Sandusky*, 205 F. 2d 915, 918 (7th Cir. 1953) ("petitioner avers that she was prevented from filing her application [for intervention] at any earlier date by the action of plaintiffs and their attorneys...we think petitioner's application reflected due diligence"). The State cannot, on the one hand, withhold its abatement model such that even Purdue didn't know whether there was overlap, then on the other, claim Comanche County should've somehow divined this conclusion from afar.

The State also attempts to frame Comanche County's strategy as some sort of "manipulation" or "gamesmanship." Not true. The main concern of Comanche County is that once the opioid epidemic is 'abated' by the State here, Comanche County will have its right to seek abatement extinguished. There is no other way to describe Comanche County other than a

² The Purdue Settlement also includes injunctive relief that is applicable to Purdue across the entire State, including Comanche County. Certainly, this impairs Comanche's County's ability to seek injunctive relief.

necessary party who will be unable to protect its interests in the ultimate objective of abating the opioid epidemic if the abatement is disposed of with the State's case based upon Comanche County's rights. The State also admits that one of three factors driving the Purdue Settlement was the vast majority of the settlement funds going to a national center. So, roughly 73% of the settlement went to one national center that will be inaccessible to most Oklahomans and does nothing to combat the opioid crisis for the first responders and individuals battling the epidemic in counties across Oklahoma. The abatement of the opioid epidemic must begin where its impact is greatest, *i.e.*, in cities and counties across Oklahoma. Thus, Comanche County's interests are not only being impaired, but the State has not and cannot adequately protect those interests.

To ensure that it was not prejudicial to the parties, and to eliminate any procedural hurdles for allowing intervention and/or a delay of the trial,³ Comanche County attached its Intervenor Petition and drafted it in a manner exactly consistent with the State's Petition and dismissal of all claims except public nuisance (with the exception of including the Purdue entities). Finally, counsel for Comanche dismissed the entirety of its case in Comanche County *without prejudice* of re-filing within one year.⁴ There is no reason trial will be delayed by this intervention.

CONCLUSION

In sum, Comanche County did not delay and acted prudently when it learned the true nature of the State's claims and because the prejudice Comanche County will suffer is significantly greater than the prejudice to the parties, the Court should grant intervention.

³ Counsel for the State fails to notify the Court that Comanche County's Motion to Intervene and attached proposed Intervenor Petition was filed a day *before* this Court ruled that there was no right to a jury trial based on the equitable claim by the State.

⁴ Prior to the dismissal, the case was pending in Comanche County and was not removed by any of the Defendants.

Respectfully submitted,

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CERTIFICATE OF MAILING

I hereby certify that on the kt day of May, 2019, a true and correct copy of the above and foregoing document was mailed, postage prepaid to:

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