[Acceptance of Tobacco Settlement Funds - Designation of Authorized Officers]

Resolution designating authorized officers, the Treasurer, Controller, and City Attorney or their successors in office, to accept and withdraw Tobacco Settlement Funds on behalf of the City and County of San Francisco ("City"), pursuant to the Memorandum of Understanding, dated August 5, 1998, among the Attorney General of the State of California and Cities and Counties in the State, including the City.

WHEREAS, On November 23, 1998, attorney generals representing 52 state and territories signed the Master Settlement Agreement ("MSA") with four of the largest tobacco manufacturers ("Original Participating Manufacturers") in the United States to settle claims and recover costs in the billions of dollars associated with distribution and consumption of smoking related products; and

WHEREAS, Under the MSA, the Original Participating Manufactures agreed, among other things, to pay out over \$206 billion over the first 25 years of the MSA ("Tobacco Settlement Funds") to pay for medical costs of States and local governments incurred related to cigarette smoking; and

WHEREAS, Under the MSA the Original Participating Manufactures also agreed that after such initial 25-year period to pay an additional \$9 billion per year (adjusted for inflation and volume of cigarette sales) in perpetuity to the settling states, including California; and

WHEREAS, The Attorney General of the State of California and representatives of a number of California Counties and Cities, including San Francisco, entered into a Memorandum of Understanding, dated August 5, 1998 ("MOU"), which allocates a portion of Settlement Proceeds due to the State of California stemming from litigation against various tobacco manufacturers; and

WHEREAS, This Board has previously approved participation in the settlement under the terms and conditions memorialized in the MOU pursuant to Ordinance No. 402-98 finally passed by this Board on December 21, 1998, and signed by the Mayor of the City and County of San Francisco on December 24, 1998; and

WHEREAS, The City and County of San Francisco ("City") wishes to continue receiving its allocated share of settlement proceeds as provided for and set forth in the MOU; and

WHEREAS, This Board has previously identified the Treasurer, Controller and the City Attorney as the officers authorized ("Authorized Officers") to direct the transfer of the City's portion of Tobacco Settlement Funds pursuant to Resolution No. 132-00, adopted by this Board on February 14, 2000, and signed by the Mayor on February 22, 2000; and

WHEREAS, The originally named officers identified in Resolution No. 132-00 have since been replaced by successors in office, and it is desirable to document and place on record the current incumbents authorized to direct the transfer of Tobacco Settlement Funds; and

WHEREAS, San Francisco has, in consideration for receiving its portion of the settlement proceeds as allocated to cities and counties in the MOU, executed the Agreement Regarding interpretation of MOU and the Release (approved by the Court of Appeal, 4th Cir. (DO61077, Cal. Ct. App. May 20, 2013)); now, therefore, be it

RESOLVED, That the Board hereby finds and declares that the above recitals are true and correct, and, be it

FURTHER RESOLVED, That this Board hereby authorizes the continued acceptance and deposit of San Francisco's portion of the settlement proceeds as allocated to cities and counties pursuant to the terms of the MOU, and, be it

FURTHER RESOLVED, That this Board hereby authorizes the verification by the Attorney General's Office of all banking information provided to effectuate the acceptance of the settlement proceeds, and, be it

FURTHER RESOLVED, That the following officers or their successors in office shall be authorized and directed to cause the transfer of the City's portion of Tobacco Settlement Funds to appropriate accounts of the City, and, be it

| David Chiu    | José Cisneros | Greg Wagner |
|---------------|---------------|-------------|
| City Attorney | Treasurer     | Controller  |
|               |               |             |
|               |               |             |
| <u>/s/</u>    | /s/           | <u>/s/</u>  |
| (SIGNATURE)   | (SIGNATURE)   | (SIGNATURE) |

FURTHER RESOLVED, That all notices from the Office of the Attorney General to the City regarding the MOU or Tobacco Settlement Proceeds, or any matter relating thereto, shall be sent to:

| Name of Person/Agency: | Greg Wagner                     |
|------------------------|---------------------------------|
| Title:                 | Controller                      |
| Address:               | City Hall, Room 316             |
|                        | 1 Dr. Carlton B. Goodlett Place |
|                        | San Francisco, CA 94102         |
| Telephone:             | 415-554-7500                    |
| E-Mail:                | controller@sfgov.org            |

FURTHER RESOLVED, That the officers, employees and agents of San Francisco, including without limitation, the Treasurer, the Controller and the City Attorney, are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to or comply with the terms and intent of this Resolution, and be it

FURTHER RESOLVED, That this Resolution shall take effect immediately.

APPROVED AS TO FORM: DAVID CHIU, City Attorney

By: /s/
MARK D. BLAKE
Deputy City Attorney



## City and County of San Francisco Tails

City Hall 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4689

## Resolution

File Number:

250706

Date Passed: July 29, 2025

Resolution designating authorized officers, the Treasurer, Controller, and City Attorney or their successors in office, to accept and withdraw Tobacco Settlement Funds on behalf of the City and County of San Francisco ("City"), pursuant to the Memorandum of Understanding, dated August 5, 1998, among the Attorney General of the State of California and Cities and Counties in the State, including the City.

July 17, 2025 Government Audit and Oversight Committee - RECOMMENDED

July 29, 2025 Board of Supervisors - ADOPTED

Ayes: 11 - Chan, Chen, Dorsey, Engardio, Fielder, Mahmood, Mandelman, Melgar, Sauter, Sherrill and Walton

File No. 250706

I hereby certify that the foregoing Resolution was ADOPTED on 7/29/2025 by the Board of Supervisors of the City and County of San Francisco.

> Angela Calvillo Clerk of the Board

**Daniel Lurie** 

Mayor

**Date Approved**