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Attorney General Frosh Issues Statement on Confirmation of Purdue Pharma's Bankruptcy and Release of Trillions of Dollars of Claims Against the Sackler Family

BALTIMORE, MD – Maryland Attorney General Brian E. Frosh today issued the following statement in response to the Court's confirmation of Purdue Pharma's bankruptcy plan:

"We are disappointed with today's ruling confirming the plan of reorganization for Purdue Pharma by the United States Bankruptcy Court for the Southern District of New York. This plan releases from liability members of the Sackler family and others who participated in or directed Purdue's illegal acts that contributed to the opioid crisis.

"Maryland objected to the releases, which seek to force the State to settle for an amount that is too low to account for the Sacklers' misconduct and to deter future misconduct in the pharmaceutical marketplace. The releases of the Sacklers prevent the State from pursuing its claims against them for their role in the creation of the opioid crisis. Our Consumer Protection Division filed an enforcement action in Maryland against Purdue and members of the Sackler family in 2019, but the case has been stayed by the bankruptcy court.

"We believe that the bankruptcy court lacks the authority to release the State's police power claims without the State's consent. This plan does not do enough to prevent future misconduct of the type that has led to the opioid crisis. It lets the Sacklers and other parties retain most of the fruits of their bad acts. We respectfully disagree with the bankruptcy court's conclusion that a state can be forced to grant such releases and thereby strip the public of protections that are designed to prevent wrongdoing and harm to the public health."

https://www.marylandattornevgeneral.gov/press/2021/090121b.pdf