Anderson County Board of Commissioners
OPERATIONS COMMITTEE
MINUTES
August 11, 2025
6:00 PM Room 312

Members Present:	Tim Isbel, Tracy Wandell, Joshua Anderson, Ebony Capshaw, Michael Foster, Stephen Verran and Phil Yager.
Members Absent:	Robert McKamey
Call to Order:	Chairman Isbel called the meeting to order.

Chairman Isbel said the prayer.

Commissioner Wandell led the Pledge of Allegiance

Commissioner Wandell made a motion to approve the agenda as presented. Second by Commissioner Capshaw. Motion passed.

Appearance of Citizens
None

Mayor
No Report

Law Director's Report
Mineral Severance Tax to be addressed at a later date.

Commissioner Foster made a motion to approve Resolution No. 25-08-1224 Authorizing Anderson County to Join the State of Tennessee and Other Local Governments in Amending the Tennessee State-Subdivision Opioid Abatement Agreement and Approving the Related Settlement Agreements. Second by Commissioner Wandell. Motion passed to forward to full commission for approval.

Commissioner Yager made a motion to approve a Resolution to Authorize a Twelve Dollar and Fifty Cent ($12.50) Charge by the Clerk of Every Court in Anderson County Having Jurisdiction of State Misdemeanors and Felonies. Second by Commissioner Capshaw. Motion passed to forward to full commission for approval.

Commissioner Wandell made a motion to allow the Law Director to seek direction from the District Attorney or State Representative on how to proceed with getting access to the family cemeteries in question. Second by Commissioner Capshaw. Motion passed to forward to full commission for approval.

State Route 170 / Edgemoor Road Update
Commissioner Wandell made a motion to enter the email received from Marlena Gore, Project Manager, TDOT/Region One Project Management, to the minutes. Second by Commissioner Capshaw. Motion passed to forward to full commission for approval.

Clean Water Update for Rosedale Community
No Action Taken.

HR Social Media Policy Review
No Action.

Citizens for Animal Advocacy in Anderson County (CAAAC)
Commissioner Wandell made a motion to defer for 30 days and add the packet to the minutes for all commissioners. Second by Commissioner Capshaw. Motion passed.

ACWA Minutes
No Report.

Strategic Planning Update
Next meeting will tentatively be the first or second Friday in November.

Unfinished Business
Discussion about robo calls with Representative Scarbrough.
No Action.

New Business
None.

With No Further Business- Meeting Adjourned

OFFICE OF THE COUNTY LAW DIRECTOR
ANDERSON COUNTY, TENNESSEE

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CLINTON, TENNESSEE 37716

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MEMORANDUM

TO: Ms. Annette Prewitt

CC: Operations Committee

FROM: Law Director's Office

DATE: August 6, 2025

RE: Law Director's Report –August 11, 2025 – Operations

Please add the following to the Operations Committee Agenda under the Law Director's Report.

A. Contract Approvals:

1. 3C- Detention Facility
2. Ellison- Detention Facility
3. Kellwell- Detention Facility
4. My Government Online Software- Mayor's Office & Planning & Development
5. Norvex- Detention Facility
6. Knox County Medical Examiner- Renewal
7. Euna Solutions Grant
8. Attendance on Demand
9. UT Medical Center Home Care Services- EMS
10. Mark Brown- EMS
11. Brian Rozmus- EMS
12. Devin Burnett- EMS
13. Scott Prosise- EMS
14. Scott Thomas- EMS
15. Studio Four Design- Mayor's Office
16. Ryan Herrin- Property Assessor

B. Anderson County Zoning Violations:

Newly Opened:

1. 351 Old Lake City Highway
2. 112 Princess Lane

3. 120 Moretz Lane

Closed:
1. 350 Longmire Rd.
2. 120 Moretz Lane

Newly Filed:
1. 272 Clear Branch Road
2. 149 Black Oak Road

Motion for Default Judgment:
1. 438 Old Fratersville Hollow Lane- Filed June 26, 2025. Granted on July 28, 2025. Defendant has 30 days to get the property into compliance.

Motion for Trial Date:
1. 301 Old Lake City Highway- Trial date to be scheduled for 90 days out.
2. 359 Old Lake City Highway- Trial date to be scheduled for 90 days out.
3. 774 Hillvale Road- Will be scheduling for a trial date for 90 days out.

Contempt:
1. 1824 Lake City Highway- Petition and Show Cause filed on June 4, 2025. Hearing set for July 7, 2025. Hearing was postponed, Defendant was served with Summons late. Hearing rescheduled for August 8, 2025.

Liens:
1. 222 Old Tacora Hills Road- daily fine of $100 beginning May 24, 2024.
2. 230 Haney Hollow Road- daily fine of $100 beginning August 26, 2024.
3. 177 Scott Brogan Lane- daily fine of $50 beginning December 9, 2024.

Pending Quotes for Cleanup:

1. 230 Haney Hollow Road- no quote, Zoning office advises that clean-up is cost prohibitive.
2. 222 Old Tacora Hills Road- no quote, Zoning office advises that clean-up is cost prohibitive.
3. 177 Scott Brogan Lane

C. Bankruptcies:

1. Bailey- Order of Discharge Chapter 7
2. Walker- Notice of Chapter 7 Filing
3. Dubois- Order of Chapter 13
4. Purdue Pharma- Notice of Hearing
5. Rutherford- Order of Discharge Chapter 13
6. Genesis Healthcare- Notice of Chapter 11.
7. Genesis Healthcare- Interim Order Authorizing Debtors to Pay.

8. Genesis Healthcare- Notice of Final Hearing on First Day Motions
9. Sewell- Motion to Modify Chapter 13
10. Purdue Pharma L.P.- Notice of Hearing for Chapter 11
11. Chandler- Order of Discharge Chapter 7

D. Other:

1. Assisted Planning & Development with pool company incorrectly telling their customers that they do not need a permit to install a swimming pool in the county.
2. Sent Robocall and Windrock cemetery letters.
3. Open Records Request
4. Severance Tax Memo
5. Opioid Resolution No. 1224
6. Revision of ACSO Cpl. and Sgt. Promotional Exams
7. CSX Lawsuit
8. Law Director Form of Opinion for $10,000,000.00 Rural Elementary School Bonds
9. Election Commission Minutes –Research and preparation of letter to Commissioner regarding minutes being provided to Annette in time for County Commission Agenda
10. ACDF Work Release Program Approval
11. Resolution Proposed by Dave Clark to assess fees in accordance with T.C.A. § 40-3-106

F. Litigation Updates:

1. Pro-Vision- Filed Amended Complaint on 4/9/25. Defendant's Motion to Dismiss was denied on 7/11/25. We will proceed to the discovery phase in this case.

2. Rick Schubert v. Terry Frank- Filed a Motion to Dismiss on 5/15/25 that is set to be heard on 8/18/25.

3. Zayo v. AC Commission, ACS, & AC Purchasing- attended June 18, 2025, hearing in which Writ of Supersedeas was set aside. Filed Motion to Strike allegations in Plaintiff's Complaint on 7/2/25. Scheduling Order was entered as follows:
   - 8/27/25, deadline for Plaintiff's Brief;
   - 9/15/25, deadline for Defendants Response;
   - 9/22/25, Pre-Trial Conference;
   - 9/23/25, deadline for Plaintiff's Reply Brief;
   - 10/2/25, hearing on Plaintiff's Writ of Certiorari in Chancery at 1:00 p.m. I encourage Commission members to attend.
   - Filed our Answer on July 24, 2025.

4. Samuel Marra v. ACSO et. al- Deposition of Samuel Marra took place on 6/27/25. Jeff Ward, counsel for ACSO reports that Summary Judgment was granted in favor of ACSO. Defendant has until 8/13/25 to appeal.

5. Dotson, Dylan v. AC- Counsel for AC reports that Summary Judgment was granted in favor of AC. Defendant has until 8/13/25 to appeal.

6. Shane Dietlin v. Kirk, et al.– forwarded to insurance claims representative for assignment to insurance defense counsel-Alix C. Michel, of Michel & Ward – retained to represent Defendant, Kirk – We will continue to monitor status. One named Defendant was non-suited out by Plaintiff.

7. Nathan Partin v. ACSO, et al. – Complaint filed in U.S. District Court on 7/1/25, forwarded to insurance claims representative. Insurance defense counsel is Dan Pilkington. We will continue to monitor status.

8. National Opioid Settlements. Anderson County must decide whether or not to participate by October 8, 2025. *See proposed Resolution No. 1224 attached.*

Anderson County, Tennessee
Board of Commissioners
RESOLUTION No: 25-08-1224

A RESOLUTION AUTHORIZING ANDERSON COUNTY TO JOIN THE STATE OF TENNESSEE AND OTHER LOCAL GOVERNMENTS IN AMENDING THE TENNESSEE STATE-SUBDIVISION OPIOID ABATEMENT AGREEMENT AND APPROVING THE RELATED SETTLEMENT AGREEMENTS

WHEREAS, the opioid epidemic continues to impact communities in the United States, the State of Tennessee, and Anderson County, Tennessee.

WHEREAS, Anderson County has suffered harm and will continue to suffer harm as a result of the opioid epidemic;

WHEREAS, the State of Tennessee and some Tennessee local governments have filed lawsuits against opioid manufacturers, distributors, and retailers, including many federal lawsuits by Tennessee counties and cities that are pending in the litigation captioned in re: National Prescription Opiate Litigation, MDL No. 2804 (N.D. Ohio) (the MDL case is referred to as the "Opioid Litigation");

WHEREAS, Anderson County has previously joined settlements with multiple pharmaceutical distributors, manufactures, and retail pharmacies;

WHEREAS, a proposed settlement has been reached that would address claims in the Purdue Pharma bankruptcy case and resolve claims against the Sackler family owners of the company (the "Purdue Settlement");

WHEREAS, Anderson County finds the Purdue Settlement and Eight Manufacturer Settlements acceptable and in the best interest of the community;

WHEREAS, the Tennessee legislature enacted Public Chapter No. 491 during the 2021 Regular Session of the 112th Tennessee General Assembly as it was signed into law by Governor Bill Lee on May 24, 2021, which addresses the allocation of funds from certain opioid litigation settlements;

WHEREAS, the Tennessee legislature enacted Public Chapter No. 302 during the 2025 Regular Session of the 114th Tennessee General Assembly as it was signed into law by Governor Bill Lee on May 2, 2025, which would apply the statutory provisions passed in 2021 to the Purdue Settlement and settlements with several additional manufacturers, if the agreements become effective;

WHEREAS, the State of Tennessee, non-litigating counties, and representatives of various local governments involved in the Opioid Litigation have adopted a unified plan for the allocation and use of certain prospective settlement and bankruptcy funds from opioid-related litigation ("Settlement Funds");

WHEREAS, the Tennessee State-Subdivision Opioid Abatement Agreement (the "Tennessee Plan"), attached hereto as "Exhibit A," sets forth the framework of a unified plan for the proposed allocation and use of the Settlement Funds;

WHEREAS, amendments to the Tennessee Plan, attached hereto as "Exhibit B," would extend its terms to the proposed Purdue Settlement and Eight Manufacturer Settlements and would clarify some language concerning the allocation of certain settlement funds and Purdue estate distributions; and

WHEREAS, participation in these settlements by a large majority of Tennessee cities and counties will materially increase the amount of settlement funds that Tennessee will receive from the pending proposed opioid settlements;

NOW THEREFORE, BE IT RESOLVED BY THE COUNTY COMMISSION OF ANDERSON COUNTY, TENNESSEE,

Section 1. That Anderson county finds that the amendments to the Tennessee Plan are in the best interest of Anderson County and its citizens because they would ensure an effective structure for the commitment of Settlement Funds to abate and seek to resolve the opioid epidemic.

Section 2. That Anderson County hereby expresses its support for a unified plan for the allocation and use of Settlement Funds as generally described in the Tennessee Plan.

Section 3. That the Anderson County Mayor is hereby expressly authorized to execute the amendments to the Tennessee Plan in substantially the form attached as Exhibit "B" and the County Mayor is hereby authorized to execute any formal agreements necessary to implement a unified plan for the allocation and use of Settlement Funds that is substantially consistent with the Tennessee Plan and this Resolution.

Section 4. That the Anderson County Mayor is hereby expressly authorized to execute any formal agreement and related documents evidencing Anderson County's agreement to the settlement of claims [and litigation] specifically related to the Purdue Settlement, the Eight Manufacturer Settlements and any other settlement of opioid-related claims that Tennessee has joined.

Section 5. That the Anderson County Mayor is authorized to take such other action as necessary and appropriate to effectuate Anderson County's participation in the Tennessee Plan and these settlements.

Section 6. This Resolution is effective upon adoption, the welfare of Anderson County, Tennessee requiring it.

RESOLVED, AND APPROVED this 18th Day of August, 2025. This resolution shall take effect immediately upon the public welfare requiring same.

H. Tyler Mayes, Chair A.C. Comm.

Terry Frank, Mayor

ATTEST:

Jeff Cole, County Clerk

Tennessee State-Subdivision Opioid Abatement Agreement

I. Definitions

For all sections of this Agreement, the definitions for terms set out in this Section I apply. The Agreement also uses additional terms that are defined in the Distributor/J&J Settlements and other agreements. In such instances, which are clearly stated, those terms are defined by those agreements.

A. "2021 Legislation." Public Chapter No. 491 passed during the 2021 Regular Session of the 112th Tennessee General Assembly and signed into law by Governor Bill Lee on May 24, 2021. For ease of reference purposes only, a copy of Public Chapter No. 491 is attached.

B. "Agreement." This document, the Tennessee State-Subdivision Opioid Abatement Agreement, a "state-subdivision opioid abatement agreement" as defined in the 2021 Legislation, Section 5(7) and Section 13(6). This Agreement is also a "State-Subdivision Agreement" as defined in the Distributor/J&J Settlement Agreements and a "Statewide Abatement Agreement" as defined in the Purdue Pharma L.P. and Mallinckrodt PLC bankruptcy plans.

C. "Distributor/J&J Settlements." The settlements consisting of the joint settlement agreement with distributors McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation and their subsidiaries and other related entities and the settlement agreement with manufacturer Johnson & Johnson, its Janssen subsidiaries and other subsidiaries and related entities. Both settlements qualify as Statewide Opioid Settlement Agreements.

D. "Joint Abatement Bankruptcy Plan." A plan confirmed in federal bankruptcy court under Title 11 of the United States Code that resolves state and subdivision claims related to the manufacture, marketing, distribution, dispensing, or sale of opioids in a manner that allocates funds for abatement jointly to the state and its subdivisions. The plans in the Purdue Pharma L.P. and Mallinckrodt PLC bankruptcy cases are examples of Joint Abatement Bankruptcy Plans.

E. "Opioid Abatement Council." The council created by the 2021 Legislation, Sections 3-9.

F. "Relevant Funds." Funds that, pursuant to a Joint Abatement Bankruptcy Plan, are allocated to the State for the claims of the State and its Subdivisions and that must be dedicated to opioid abatement programs.

G. "State." The State of Tennessee.

H. "State-Only Opioid Settlement Agreement." A settlement agreement entered into by the State and one or more entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids in which there are not provisions for Subdivision joinder.

Exhibit A

I. "State Opioid Judgment." A judgment obtained by the State against one or more entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

J. "Statewide Opioid Settlement Agreement." A settlement agreement entered into by the State and one or more entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids in which subdivision claims are addressed.

K. "Statutory Bar." A law barring all subdivisions (not limited to counties and municipalities) in the state from maintaining released claims against released entities, either through a direct bar or through a grant of authority to release claims. The 2021 Legislation, Sections 10-19 establishes a grant of authority process for a statutory bar to be enacted for the entities addressed in the Distributor/J&J Settlements.

L. "Subdivision." A Tennessee county or municipality.

M. "Subdivision-Only Opioid Settlement Agreement" A settlement agreement between one or more Subdivisions and one or more entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids that does not include the State as a party.

N. "Subdivision Opioid Judgment." A judgment obtained by one or more Subdivisions against one or more entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids.

O. "Tennessee Opioid Abatement Fund." The opioid abatement trust fund established by the 2021 Legislation, Sections 1-2.

II. Interaction of this Agreement with Settlements, Bankruptcy Plans and Legislation

This Agreement replaces certain default provisions in specified State Opioid Settlement Agreements and Joint Abatement Bankruptcy Plans. Certain default provisions are also replaced by the 2021 Legislation and consent judgments will be filed for State Opioid Settlement Agreements. Thus, there will be multiple sources of authority for the application of each settlement agreement or bankruptcy plan. While parts of the 2021 Legislation are described in this Agreement, such descriptions do not supersede the statutory language, which is controlling.

III. Allocation of Funds in the Distributor/J&J Settlements

The Distributor/J&J Settlements allow for payment and allocation default provisions to be replaced by state-subdivision agreements, by statute, and other means. As referenced below, the 2021 Legislation addressed some of the default provisions in these settlements. This Agreement makes a few additional changes to the default provisions. As described below, some default provisions remain in place.

A. Allocation among three sub-funds. The Distributor/J&J Settlements initially allocate the vast majority of settlement funds among three sub-funds for each state: the "State Fund," the "Abatement Accounts Fund," and the "Subdivision Fund."[1] Subject to the terms of the specific settlement agreements and assuming full subdivision participation and maximum payments, allocation among the three Tennessee sub-funds shall remain the same as with the default provision: 15% to the State Fund, 70% to the Abatement Accounts Fund, and 15% to the Subdivision Fund.

B. Use of funds. The Distributor/J&J Settlements have provisions concerning the use of funds and those are controlling.[2] Generally they require that money from all three sub-funds be used for "Opioid Remediation" as that term is defined in those agreements. Such definitions include restitution for past abatement within the definition of remediation.

C. State Fund. The 15% State Fund shall be directed to the State's general fund unless directed to the Tennessee Opioid Abatement Fund by future legislation.

D. Abatement Accounts Fund.

1. The 70% Abatement Accounts Fund shall be directed to the Tennessee Opioid Abatement Fund.

2. The 2021 Legislation fully replaces the default provisions for the Abatement Accounts Fund.[3] Among the legislative provisions is the requirement that for the Distributor/J&J Settlements funds deposited into the Tennessee Opioid Abatement Fund, the Opioid Abatement Council shall disburse 35% of these proceeds to counties that join the settlements to be spent on opioid abatement and remediation pursuant to Subsections 6(q)-(s). 2021 Legislation Section 6(p).

3. The 2021 Legislation allows for a state-subdivision agreement to determine the metrics used in allocating certain funds among participating counties. 2021 Legislation, Section (6)(q). It is agreed that the allocation formula shall use data for fatal and non-fatal opioid overdoses, opioid sales measured by morphine milligram equivalents, and population. Details and agreed terms regarding the metrics, the updating of allocation percentages, and the initial allocation percentages for each county is set out in Exhibit A.

E. Subdivision Fund.

1. The 15% Subdivision Fund shall generally be directed to the Subdivisions participating in the Distributor/J&J Settlements pursuant to the default provisions of those agreements, including the allocation of funds for non-litigating municipalities with populations under 10,000 to their respective counties.

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[1] "State Fund," Abatement Accounts Fund," and "Subdivision Fund" are all defined terms in the Distributor/J&J Settlement agreements. They are sub-funds of the settlements' "Settlement Fund" into which the companies make base and incentive payments pursuant to the settlement agreements.

[2] Some examples are distributor agreement Subsections V.B.1-2 and J&J agreement Subsections VI.B. 1-2.

[3] These are mainly found in distributor agreement Section V.E and J&J agreement Section VI.E.

2. The default provisions are adjusted for non-litigating municipalities in participating counties that both (1) have populations of 10,000 to 30,000 per the 2019 U.S. Census estimate and (2) have a Subdivision Fund allocation percentage less than 0.5%.[4] The allocations for such municipalities shall be directed to their respective counties if the county is a participating subdivision. (If the county is not a participating subdivision, the funds are not redirected to the county.) The reallocation for such municipalities located in multiple counties will be divided among those counties pursuant to the data used in Exhibit G of the Distributor/J&J Settlements. These redirected funds to certain counties shall be spent on future opioid abatement and shall be subject to the same statutory requirements as the Abatement Accounts Fund money the county receives from the Tennessee Opioid Abatement Fund. These redirected funds to certain counties are in addition to the funds allocated to participating counties pursuant to 2021 Legislation Section 6(p) and should not be included in calculating or disbursing the 35% amount allocated to participating counties. Such redirected funds should also not be viewed as an additional recovery by the county for purposes of calculating any contingency fees agreements.

F. Attorneys' fees and costs. The Distributor/J&J Settlements have provisions for funds dedicated to or related to attorneys' fees, costs, and/or expenses. There are also funds for states without outside counsel, identified as "Additional Restitution Funds." Such funds shall be allocated pursuant to such agreements and are not addressed by this Agreement.

IV. Allocation of Funds for other Statewide Opioid Settlement Agreements

A. Application to future settlements. To the extent allowed by such agreement and subject to IV.B.2 of this Agreement, the provisions in Section III above shall replace default provisions in, and apply to, any future Statewide Opioid Settlement Agreement in which Tennessee counties and municipalities are able to join and receive benefits, either directly or indirectly, in exchange for a release of claims.[5] Not all municipalities need to be eligible to join such a settlement for the provisions of this Section IV to apply. Indirect benefits include funds being allocated to counties and/or the Tennessee Opioid Abatement Fund.

B. Exceptions. The application of Section IV.A. is limited, as follows:

1. The directing of 35% of Abatement Funds to the counties pursuant to the 2021 Legislation Section 6(p) shall not apply to any Statewide Opioid Settlement Agreement that includes an incentive or other benefit for a Statutory Bar unless (a) Section 19 of the 2021 Legislation is amended to specifically allow a Statewide Opioid Settlement Agreement release for the settling entity or entities or (b) another statute that qualifies as a Statutory Bar for such settlement is enacted. Should such settlement become effective prior

[4] For the avoidance of doubt, a non-litigating municipality with a population between 10,000 and 30,000 that has a Subdivision Fund allocation percentage of 0.5% or greater is not affected by this subsection and receives its direct allocation from the Subdivision Fund.

[5] For the avoidance of doubt, the Section III provisions include the 15%/70%/15% allocation of settlement funds among the three sub-funds.

to the enactment of a Statutory Bar addressing claims against the settling entity or entities, 35% of the funds directed to the Tennessee Opioid Abatement Fund shall be withheld and not allocated until the earlier of (1) the enactment of such a Statutory Bar or (2) a full regular session of the Tennessee General Assembly has occurred.

2. Section IV.A shall not apply to any Statewide Opioid Settlement Agreement unless the application of this Agreement to such settlement is approved by a majority of (a) counties and (b) municipalities having a population over 30,000 after such settlement is negotiated and provided to such subdivisions. Whether there is majority approval shall be measured by population of the relevant subdivisions. Population figures shall be from the most recently published U.S. Census population figures (actual count or estimate) for a year for which data is available for both counties and municipalities.

3. Section IV.A shall not apply to any Statewide Opioid Settlement Agreement with Endo International plc. or its subsidiaries.

C. Statutory provisions. The language in this section does not address or control whether any default provisions in a Statewide Opioid Settlement Agreement are replaced by the 2021 Legislation or any other statutory provision if Section IV.A does not apply to such settlement.

V. Allocation of Funds for Opioid-Related Claims in Joint Abatement Bankruptcy Plans

A. Relevant Funds. Multiple opioid manufacturers have filed for bankruptcy in actions for which the State and many Subdivisions are creditors for opioid-related claims. These companies include Purdue and Mallinckrodt. It is anticipated that other entities involved in activities related to the manufacture, marketing, distribution, dispensing, or sale of opioids may also file for bankruptcy and that the State and one or more Subdivisions will pursue opioid-related claims in those actions. Funds allocated to the State and Subdivisions for such claims shall be disbursed pursuant to the confirmed bankruptcy plan for the relevant entity, including requirements for funds to be used for future abatement. It is anticipated that one or more of such plans shall include the allocation of Relevant Funds that must be dedicated to opioid abatement programs. All Relevant Funds shall be placed in the Tennessee Opioid Abatement Fund and allocated pursuant to Sections V.B. Relevant Funds do not include funds disbursed through bankruptcy plans that are not restricted to abatement or that are disbursed for claims that are unrelated to the opioid crisis.

B. Allocation of Relevant Funds. To the extent permissible under the subject bankruptcy plan, Relevant Funds from Joint Abatement Bankruptcy Plans shall be allocated in the same manner as the Abatement Account Funds from the Distributor/J&J Settlements are disbursed under Section III.D and the 2021 Legislation. Thus, the Opioid Abatement Council shall disburse 35% of the proceeds from such bankruptcy plans to the counties subject to 2021 Legislation

Subsections 6(q)-(s). All default provisions related to Relevant Funds in such bankruptcy plans are replaced by this Agreement.[6]

C. Exception. Section V shall not apply to any bankruptcy plan for Endo International plc. or its subsidiaries.

D. Statutory provisions. The language in this section does not address or control whether any default provisions in a Joint Abatement Bankruptcy Plan are replaced by the 2021 Legislation or any other statutory provision if Sections V.A-B do not apply to such bankruptcy plans.

VI. No Application to Other Funds

A. State-Only Opioid Settlement Agreements and State Opioid Judgments. The Attorney General may direct funds from a State-Only Opioid Settlement Agreement or a State Opioid Judgment to the Tennessee Opioid Abatement Fund. Subject to the terms of specific agreements and any conditions placed on the funds prior to their being placed in the Tennessee Opioid Abatement Fund, the funds shall be allocated by the Opioid Abatement Council pursuant to the 2021 Legislation. The allocation and other provisions in this Agreement that apply to certain Statewide Opioid Settlement Agreements and to certain funds from Joint Abatement Bankruptcy Plans do not apply to funds from State-Only Opioid Settlement Agreements or State Opioid Judgments.

B. Subdivision-Only Settlement Agreements and Subdivision Judgments. The allocation and other provisions in this Agreement that apply to certain Statewide Opioid Settlement Agreements and to certain funds from Joint Abatement Bankruptcy Plans do not apply to funds from Subdivision-Only Opioid Settlement Agreements or Subdivision Opioid Judgments.

VII. Adoption and Amendment of Agreement

A. Controlling Authority. For this Agreement to replace default provisions in the Distributor/J&J Settlements, it must be adopted by statute or approved by the State and a sufficient number of Subdivisions as set forth in Exhibit O of those settlements. For this Agreement to replace default provisions in the Purdue and other bankruptcy plans, it is anticipated that it will need to be approved by the State and a sufficient number of Subdivisions as set forth in the specific bankruptcy plans. There are similar requirements for amending state-subdivision agreements such as this Agreement. It is understood that the approval process and participation requirements set out in this Section VII meet the requirements of these settlement agreements and anticipated bankruptcy plans. For any settlement agreement or bankruptcy plan that allows for a state-subdivision agreement to determine the requirements for amendment of a state-subdivision

[6] For example, the provisions related to the default "Government Participation Mechanism" in the Purdue bankruptcy plan are not applicable with the adoption of this Agreement (which incorporates the Opioid Abatement Council).

agreement, the approval process and participation requirements set out in this Section VII for an amended agreement shall control. Similarly, if this Agreement is adopted by statute, the approval process and participation requirements set out in this Section VII for an amended agreement shall control.

B. Adoption of Agreement. This Agreement is adopted if it is approved by the Attorney General, on behalf of the State, and either (1) Subdivisions whose aggregate "Population Percentages," determined as set forth below, total more than 60%, or (2) Subdivisions whose aggregate Population Percentages total more than 50%, provided that these Subdivisions also represent 15% or more of the counties, by number.

C. Population Percentage Calculation. Population Percentages shall be determined as follows: The Population Percentage of each county shall be deemed to be equal to (1) (a) 200% of the population of such county minus (b) the aggregate population of all Primary Municipalities located in such county, divided by (2) 200% of the state's population. A Primary Municipality means a municipality with a population of at least 25,000. The Population Percentage of each Primary Municipality shall be equal to its population divided by 200% of the state's population. (The result of these calculations is that every person is counted twice: everyone in a Primary Municipality is counted once for that municipality; everyone is counted at least once for their county; and those not in a Primary Municipality are counted a second time for their county.) Except as required by a specific settlement agreement or bankruptcy plan, the population figures for these calculations shall be the 2020 U.S. Census counts for the initial adoption of the Agreement and, for adoption of an amended agreement, the most recently published U.S. Census population figures (actual count or estimate) for a year for which data is available for both counties and municipalities.

D. Amendment of Agreement. This Agreement may be amended if that amended agreement is approved by the Attorney General, on behalf of the State, and either (1) Subdivisions whose aggregate Population Percentages, determined as set forth above, total more than 60%, or (2) Subdivisions whose aggregate Population Percentages total more than 50% provided that these Subdivisions also represent 15% or more of the counties, by number.

VIII. Effect of Agreement

Nothing in this Agreement is intended to abridge or enlarge the authority of the Attorney General, the State, or the subdivisions, except as expressly stated herein.

Exhibit A: County Allocation for Opioid Abatement Fund

Certain abatement funds are allocated by county pursuant to the 2021 Legislation and/or the provisions of this Agreement. The allocations shall be set consistent with the 2021 Legislation and as set forth below.

A. County Allocation Data. The following data shall be used in the county allocation calculations:

1. Fatal opioid overdose data collected by the Tennessee Department of Health. The aggregate figures for the most recent three years of available data shall be used when allocation calculations are performed.

2. Non-fatal opioid overdose data collected by the Tennessee Department of Health. The aggregate figures for the most recent three years of available data shall be used when allocation calculations are performed.

3. Opioid sales as measured by morphine milligram equivalents ("MME"). The aggregate figures for the most recent three years of available data shall be used when allocation calculations are performed.

4. County population. The 2020 U.S. Census counts will be used for the initial allocations. For future allocation calculations, the most recent population estimate or actual count data published by the U.S. Census shall be used.

B. Weighting of Data. In calculating the county allocation percentages, the data shall be weighted as follows:

1. Fatal opioid overdose data shall be weighted at 12.5%.

2. Non-fatal opioid overdose data shall be weighted at 12.5%.

3. Opioid sales as measured by MME shall be weighted at 25%.

4. Population shall be weighted at 50%.

C. Updating of Allocations. The county allocations shall be updated pursuant to statute. The 2021 Legislation requires updating every four years and addresses what happens if a data set used in the initial allocations is unavailable.

D. Allocation Process. The State shall make the initial data and allocable share calculations available to the counties to review for 30 days in order to identify and correct any mathematical or data entry errors. The Opioid Abatement Council will allow for similar review for future reallocations.

E. Holdback Share. It is recognized that, particularly for some very small counties, there could be limits on the ability of the data to capture the scope of the opioid crisis in the county. For example, a large segment of a county's population may fill prescriptions in a neighboring county, resulting in MME data that dramatically underrepresents the level of opioids prescribed to the residents of the county. To address limited situations such as this, 2% of the abatement funds

allocated to counties shall be initially held back until the Opioid Abatement Council can consider county requests for adjustments to their allocation percentages due to such data issues. However, such requests will only be granted when there is a finding that the data limitations substantially affected the county's overall allocation. The Council may only adjust allocation percentages upwards through the use of the 2% holdback fund and may find that no adjustments are needed. Any portion of the 2% holdback fund not used to adjust county allocations pursuant to this process will be released to the counties pursuant to their allocations, including any adjusted allocation percentages.

F. Initial County Allocation Percentages.

[TABLE TO BE INSERTED ONCE UPDATED DATA AVAILABLE]

Tennessee Opioid Abatement Fund
Initial County Allocation Percentages

Posted 11/5/21

County	Allocation without 2% holdback	Allocation with 2% holdback
Anderson	1.35%	1.33%
Bedford	0.71%	0.70%
Benton	0.26%	0.25%
Bledsoe	0.22%	0.22%
Blount	2.05%	2.01%
Bradley	1.46%	1.44%
Campbell	0.75%	0.73%
Cannon	0.28%	0.28%
Carroll	0.38%	0.38%
Carter	0.81%	0.80%
Cheatham	0.92%	0.91%
Chester	0.22%	0.21%
Claiborne	0.54%	0.53%
Clay	0.14%	0.14%
Cocke	0.65%	0.63%
Coffee	0.93%	0.91%
Crockett	0.17%	0.16%
Cumberland	0.94%	0.92%
Davidson	10.90%	10.68%
Decatur	0.18%	0.17%
DeKalb	0.38%	0.37%
Dickson	0.97%	0.95%
Dyer	0.48%	0.47%
Fayette	0.52%	0.51%
Fentress	0.37%	0.36%
Franklin	0.62%	0.60%
Gibson	0.64%	0.63%
Giles	0.45%	0.44%
Grainger	0.36%	0.35%
Greene	1.06%	1.04%
Grundy	0.27%	0.26%
Hamblen	0.93%	0.91%
Hamilton	4.79%	4.69%
Hancock	0.11%	0.11%
Hardeman	0.33%	0.33%
Hardin	0.43%	0.42%
Hawkins	0.92%	0.90%
Haywood	0.20%	0.19%

Tennessee Opioid Abatement Fund
Initial County Allocation Percentages

Posted 11/5/21

Henderson	0.39%	0.38%
Henry	0.47%	0.46%
Hickman	0.48%	0.47%
Houston	0.16%	0.15%
Humphreys	0.29%	0.28%
Jackson	0.22%	0.22%
Jefferson	0.77%	0.76%
Johnson	0.22%	0.22%
Knox	8.00%	7.84%
Lake	0.11%	0.11%
Lauderdale	0.32%	0.32%
Lawrence	0.67%	0.66%
Lewis	0.21%	0.21%
Lincoln	0.48%	0.47%
Loudon	0.78%	0.76%
Macon	0.37%	0.37%
Madison	1.17%	1.15%
Marion	0.46%	0.45%
Marshall	0.54%	0.52%
Maury	1.38%	1.35%
McMinn	0.82%	0.80%
McNairy	0.35%	0.34%
Meigs	0.19%	0.19%
Monroe	0.68%	0.66%
Montgomery	3.12%	3.06%
Moore	0.10%	0.09%
Morgan	0.39%	0.38%
Obion	0.43%	0.42%
Overton	0.38%	0.37%
Perry	0.14%	0.14%
Pickett	0.08%	0.08%
Polk	0.25%	0.24%
Putnam	1.12%	1.09%
Rhea	0.51%	0.50%
Roane	0.97%	0.95%
Robertson	1.21%	1.19%
Rutherford	4.82%	4.72%
Scott	0.34%	0.33%
Sequatchie	0.25%	0.24%
Sevier	1.58%	1.55%
Shelby	11.39%	11.16%
Smith	0.35%	0.34%
Stewart	0.26%	0.25%

Tennessee Opioid Abatement Fund
Initial County Allocation Percentages

Posted 11/5/21

Sullivan	2.34%	2.30%
Sumner	2.87%	2.81%
Tipton	0.85%	0.83%
Trousdale	0.20%	0.20%
Unicoi	0.29%	0.29%
Union	0.33%	0.33%
Van Buren	0.09%	0.09%
Warren	0.65%	0.63%
Washington	1.69%	1.65%
Wayne	0.25%	0.25%
Weakley	0.47%	0.46%
White	0.44%	0.43%
Williamson	2.48%	2.43%
Wilson	2.17%	2.13%
2% Hold Back	0.00%	2.00%
Total Tennessee	100.00%	100.00%

Summary of 2023 Amendments
to Tennessee State-Subdivision Opioid Abatement Agreement

In addition to being asked to join five new settlements, Tennessee local governments are also being asked to approve amendments to the Tennessee State-Subdivision Opioid Abatement Agreement. There are three proposed amendments, which are summarized below. The settlement participation packet being sent to counties and qualifying municipalities by the national administrator will also include a form to approve the three amendments. The full text of the proposed amendments can be found on the following page.

Summary of Amendment 1:

This amendment simply applies the terms of the State-Subdivision Agreement to the five new settlements with Allergan, Teva, CVS, Walgreens, and Walmart. This will ensure that the structure and procedures that apply to the prior settlements with the three national pharmaceutical distributors and Johnson & Johnson will be the same for the new settlements. For example, the formula for using overdose and other data to allocate funds among the counties would be the same for the new agreements as with the existing ones.

Summary of Amendment 2:

Under the State-Subdivision Agreement, Subdivision Fund allocations for non-litigating municipalities with populations under 30,000 are directed to the counties. Consequently, these municipalities do not receive direct payments, but the money stays with the community. (This provision would continue to apply with the new settlements.) The current language of the provision also places a restriction on the use of the redirected funds, treating the redirected funds like money from the trust fund and unlike the other Subdivision Fund direct payments the county is receiving from the national administrator. This restriction would require a substantial amount of special accounting for a small amount of money. The amendment removes that requirement to streamline accounting for the counties.

Summary of Amendment 3:

The third amendment applies the State-Subdivision Agreement to funds from the Endo International plc bankruptcy. Since the Agreement was first negotiated, a group of East Tennessee counties and municipalities reached a settlement with the company, which later filed for bankruptcy. The amendment applies the bankruptcy provisions of the Agreement to Endo funds paid into the State's trust fund, including the provision to direct 35% of the funds to the counties. However, as the previously settling counties have had a substantial recovery from Endo, the amendment does not provide those nine counties a direct allocation. The amendment makes clear that the nine counties would be eligible to receive some of the remaining Endo funds as well as funds from other settlements.

Following Page: Text of Amendments

On the next page is the text of the amendments, which are set out as they should appear in the settlement packets from the national administrator.

Exhibit B

Tennessee State-Subdivision Opioid Abatement Agreement – 2023 Amendments

The Tennessee State-Subdivision Opioid Abatement Agreement is amended as follows:

Amendment 1:

Pursuant to Section IV.A, this Agreement shall apply to the following Statewide Opioid Settlement Agreements, should they become effective:

A. Allergan Public Global Opioid Settlement Agreement
B. CVS Settlement Agreement
C. Teva Global Opioid Settlement Agreement
D. Walgreens Settlement Agreement
E. Walmart Settlement Agreement

Amendment 2:

To allow for efficiency and more streamlined accounting, the fifth sentence in Section III.E.2 of the Agreement ("These redirected funds to certain counties shall be spent on future opioid abatement and shall be subject to the same statutory requirements as the Abatement Accounts Fund money the county receives from the Tennessee Opioid Abatement Fund.") shall be considered deleted and given no effect.

Amendment 3:

Notwithstanding the exception provisions in Section IV.B.3 and Section V.C. of the Agreement, Section V shall apply to funds from the Endo International plc bankruptcy (*In re Endo International plc, et al.*, U.S. Bankruptcy Court, S.D.N.Y, No. 22-22549). As they have received funds from a prior settlement with Endo, the following counties shall not receive a share of the 35% of proceeds directed to counties pursuant to Section V.B: Carter, Greene, Hamblen, Hancock, Hawkins, Johnson, Sullivan, Unicoi and Washington. However, nothing in this agreement shall limit the Opioid Abatement Council's discretion in whether or not to approve any requested allocation from the remaining Endo proceeds or other funds to these counties or the municipalities participating in that prior settlement.

Note on adoption of amendments:

Amendment 1 shall be effective if approved as set forth in Section IV.B.2 of the Agreement. Amendments 2 and 3 shall be effective if approved as set forth in Section VII.D of the Agreement.

Tennessee State-Subdivision Opioid Abatement Agreement – 2024 Amendments

In addition to being asked to join the new Kroger settlement, Tennessee local governments are also being asked to approve two amendments to the Tennessee State-Subdivision Opioid Abatement Agreement. We summarize these proposed amendments below. The settlement participation packet being sent to counties and qualifying municipalities by the national administrator will also include a form to approve the two amendments. This is the same process used to approve Amendments 1-3 last year.

The full text of the proposed amendments can be found on the following page.

Summary of Amendment 4:

This amendment applies the terms of the State-Subdivision Agreement to the new settlement with Kroger. This amendment ensures the structure and procedures that apply to prior opioid settlements with the three national pharmaceutical distributors, pharmacy chains, and manufacturers will be the same for the new settlement. For example, the formula for using overdose and other data to allocate funds among the counties would be the same for the new agreements as with the existing ones.

Summary of Amendment 5:

This amendment adds language in the State-Subdivision Agreement to directly address what happens when a settlement uses the subdivision allocation list in the Janssen Settlement's Exhibit G or another prior opioid agreement. The current language in Section III.E.2, which involves reallocating settlement funds from certain municipalities to their respective counties, could potentially be misinterpreted to apply when allocation lists from prior agreements are used in new settlements. (The Janssen Exhibit G subdivision allocation list is used in the Kroger agreement and in the five settlements approved last year.) This amendment clarifies that when a settlement adopts Janssen Exhibit G or another prior opioid allocation list, there is no need for additional adjustments based on Section III.E.2. (The amendment does not limit a municipality's ability to direct its payments to its county if it chooses to do so.)

Following Page: Text of Amendments

On the next page is the text of the amendments, which are set out as they should appear in the settlement packets from the national administrator.

Tennessee State-Subdivision Opioid Abatement Agreement – 2024 Amendments

The Tennessee State-Subdivision Opioid Abatement Agreement, initially amended in 2023 with three amendments, is further amended as follows:

Amendment 4:

Pursuant to Section IV.A, this Agreement shall apply to the following Statewide Opioid Settlement Agreements, should it become effective:

A. Kroger Settlement Agreement

Amendment 5:

To clarify that when a future settlement adopts the subdivision allocation in Exhibit G from the J&J/Janssen Settlement Agreement or another prior settlement there is no need to make additional adjustments pursuant to Section III.E.2, the following sentence shall apply as if it were added to the end of footnote 5 on page 4 of the agreement:

> Additionally, should a future settlement adopt, as a default provision, the subdivision allocation list in Exhibit G from the J&J/Janssen Settlement Agreement or another prior opioid settlement agreement, then such list of Tennessee subdivisions shall be the default subdivision allocation list for that future settlement, and there is no need to make additional adjustments pursuant to Section III.E.2.

Note on adoption of amendments:

Amendment 4 shall be effective if approved as set forth in Section IV.B.2 of the Agreement. Amendment 5 shall be effective if approved as set forth in Section VII.D of the Agreement.

Tennessee State-Subdivision Opioid Abatement Agreement:
Summary of 2025 Amendment 6

In addition to being asked to approve a bankruptcy plan for Purdue Pharma and to join a settlement to resolve claims against the Sackler family, Tennessee local governments are being asked to amend the Tennessee State-Subdivision Opioid Abatement Agreement to have the Agreement apply to the Purdue bankruptcy plan and Sackler family settlement. The proposed amendment is summarized below. The participation packet for the Purdue bankruptcy and Sackler settlement being sent to counties and qualifying municipalities by the national settlement administrator, Rubis, will also include a form to approve the amendment. This process for amending the State-Subdivision Agreement is the same as it was for amendments 1-5, which were approved in 2023 and 2024.

(Note: Separate from the materials related to the Purdue/Sackler settlement, this summer local governments will also be asked to join settlements with eight smaller-volume opioid manufacturers. At that time, subdivisions will be able to approve Amendment 7 to the State-Subdivision Agreement, which applies the terms of the Agreement to those settlements. Information on those settlements and Amendment 7 will be provided separately.)

Summary of Amendment 6:

The original and current language in the State-Subdivision Agreement describes the Purdue bankruptcy plan as an example of "Joint Abatement Bankruptcy Plans," which are addressed in Section V of the agreement. Section V allocates all funds received for abatement programs to the Tennessee Opioid Abatement Fund, rather than being split among the Abatement Fund, the State's General Fund, and the Subdivisions. For other reasons, last year the U.S Supreme Court voided the Purdue bankruptcy plan that existed at the time the State-Subdivision Agreement was drafted. The new bankruptcy plan takes a different approach in resolving the claims against the Sackler family. This new structure includes an agreement with the Sacklers, the Governmental Entity & Direct Settlement Agreement ("GESA"), that generally follows the settlement agreements with distributors, pharmacies and manufacturers that are defined as "Statewide Opioid Settlement Agreements" in the State-Subdivision Agreement. To address this change, Amendment 6 has abatement/remediation funds from the GESA and the Purdue estate distributions allocated pursuant to Section IV.A, so they will be disbursed the same way as funds for Statewide Opioid Settlement Agreements. The effect of the change is that all Tennessee remediation funds from the Sacklers and Purdue estate disbursements will be split 70% to the Opioid Abatement Fund, 15% to the General Fund, and 15% to the Subdivisions.

Following Page: Text of Amendments

On the next page is the text of Amendment 6, set out as it should appear in the Purdue settlement packet from the national administrator.

Tennessee State-Subdivision Opioid Abatement Agreement – 2025 Amendments

The Tennessee State-Subdivision Opioid Abatement Agreement, previously amended in 2023 and 2024, is further amended as follows:

Amendment 6:

If the overall resolution of claims against Purdue Pharma and the Sackler family includes a Statewide Opioid Settlement Agreement (such as the Governmental Entity & Direct Settlement Agreement ("GESA")), then allocation of all abatement/remediation funds received for these claims shall be pursuant to Section IV.A of the Agreement, not Section V. Specifically, notwithstanding the references to Purdue in Section V and elsewhere in the initial Agreement language (which referred to a prior bankruptcy plan that is now void), abatement/remediation funds received pursuant to the GESA and pursuant to Purdue estate distributions (which are also addressed by the GESA) shall be allocated pursuant to Section IV.A. of the Agreement.

Note on adoption of amendment:

Amendment 6 shall be effective if approved as set forth in both Section IV.B.2 and VII.D of the Agreement.

DAVE CLARK
DISTRICT ATTORNEY GENERAL

SEVENTH JUDICIAL DISTRICT
STATE OF TENNESSEE
101 SOUTH MAIN STREET, SUITE 300
CLINTON, TENNESSEE 37716

PHONE (865) 457-5640
FACSIMILE (865) 457-9352
www.attorney-general.com

MEMORANDUM

TO: Jamie Brooks, Law Director
FROM: Dave Clark
RE: Proposed Anderson County Resolution
DATE: July 18, 2025

This past legislative session the Tennessee Legislature and Governor recognized a need to create additional funding for District Attorneys General across the state to cover incidental expenses unique to the needs of their district. This could include expert witness fees, specialized training, security needs, public education materials and other needs as they arise. They wanted a solution that did not require the Legislature to act on each individual need nor require appropriations or a tax increase. As a result, they authorized a $12.50 cost on misdemeanor and felony cost bills to address these public safety needs. In order for the collection of the fund to begin, it requires a 2/3 approval of the County Legislative Body. I have drafted a proposed resolution for this purpose and for your consideration and that of the County Commission.

The use of these funds must be reported by me each year to the District Attorney General's Conference and from there to the Senate Judiciary and Finance Committee chairpersons as well as the House Criminal Justice Subcommittee and Finance Committee chairpersons. So, there is oversight already in place for use of these funds.

I am, of course, happy to answer any questions you or the Commission may have. I would be grateful if you would submit this or your version of this Resolution to the County Commission for its consideration.

RESOLUTION TO AUTHORIZE A TWELEVE DOLLAR AND FIFTY CENT CHARGE BY THE CLERK OF EVERY COURT IN ANDERSON COUNTY HAVING JURISDICTION OF STATE MISDEMEANORS AND FELONIES FOR THE PURPOSES AUTHORIZED AND SET OUT IN T.C.A. § 40-3-106

WHEREAS, upon adoption of an appropriate resolution by a county legislative body, T.C.A. § 40-3-106 makes it the duty of the clerk of every court in that county having jurisdiction of state misdemeanors and felonies to include in every misdemeanor and felony cost bill, a charge of twelve dollars and fifty cents ($12.50) that must be remitted to the county government, except in counties that are part of a multiple county judicial district as defined in T.C.A. § 16-2-506, in which case this charge must be remitted to the office of the executive director of the district attorneys general conference for the purpose of providing supplemental funding for the office of the district attorney general within that judicial district. Any unencumbered moneys and any unexpended balance of such funds remaining at the end of a fiscal year do not revert to the state general fund but must be carried forward for the purpose for which they were originally intended; and

WHEREAS, under T.C.A. § 40-3-106 the aforesaid clerks may only charge the twelve dollars and fifty cents ($12.50) upon adoption of a resolution by a two-thirds (2/3) vote of the county legislative body of such county; and

WHEREAS, the county legislative body in Anderson County, Tennessee finds that implementation and collection of the foregoing charge is in the best interests of the county.

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Anderson County, Tennessee, meeting in _____ session at Clinton, Tennessee, on this _____ day of _____, 2025, that:

SECTION 1. The clerk of every court in Anderson County having jurisdiction of state misdemeanors and felonies shall include in every misdemeanor and felony cost bill, a charge of twelve dollars and fifty cents ($12.50) that must be remitted to the county government for the purpose of providing supplemental funding for the office of the district attorney general in this judicial district. Any unencumbered moneys and any unexpended balance of such funds remaining at the end of a fiscal year do not revert to the state general fund but must be carried forward for the purpose for which they were originally intended;

SECTION 2. All costs collected by Anderson County government pursuant to this Resolution must be used for providing support services for the purpose of promoting public safety at the sole discretion of the district attorney general for the 7th judicial district;

SECTION 3. Anderson County may supplement the funds of the district attorney general system to promote public safety. The costs collected by Anderson County under this Resolution are supplemental and in addition to any funds received under T.C.A. § 40-3-106 or under title 8, chapter 7 of the Tennessee Code Annotated, relative to district attorneys general;

SECTION 4. In every misdemeanor and felony prosecution in which restitution is ordered or the privilege tax for the criminal injuries compensation fund established by T.C.A. § 40-24-107 is also levied, the cost imposed by this Resolution does not have priority over collection of that restitution or privilege tax; and

SECTION 5. This Resolution shall take effect immediately upon its passage and approval, the public welfare requiring it.

ADOPTED this _____ day of _____, 2025 by a two-thirds (2/3) vote of the Anderson County legislative body.

APPROVED:

_____

County Mayor

ATTEST:

_____

County Clerk

JAMES W. BROOKS, JR.
ANDERSON COUNTY LAW DIRECTOR
101 S. MAIN STREET, STE. 310
CLINTON, TENNESSEE 37716
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MORGAN JONES, PARALEGAL
mjones@andersoncountytn.gov

CASSANDRA M. POWELL, PARALEGAL
cpowell@andersoncountytn.gov

MEMORANDUM

TO: **James W. Brooks, Jr.** – reviewed and approved JWB

FROM: **Cassandra M. Powell**

DATE: **August 6, 2025**

RE: **Allocation of Oil and Gas, Coal, and Mineral Severance Tax**

In response to questions and request for a resolution allowing for the re-allocation of severance tax revenue brought by operations committee on July 14, 2025, I have prepared the following for consideration.

Question

Can any mineral, coal, or gas and oil severance tax revenue be used for water improvements? Which of these Severance Taxes have statutory allocations for their revenue and would a change in the allocation of such revenue benefit the county?

Conclusion

Allocation of coal and mineral severance tax is unambiguous. Mineral severance tax **shall** be used for the county road fund, coal severance tax **shall** be used ½ for the counties education systems and ½ shall be used for highway and stream cleaning systems. There is some ambiguity in Title 60, Chapter 7, Part 3 as to Oil and Gas severance tax. Pursuant to 60-1-301, the oil and gas severance tax is collected by the state and for the use of the state with 1/3 of the revenue being allocated to the county for the use of the county. The framework of this chapter and part does not outline the return of the revenue to the county or apportionment of the revenue for use within the county.

Analysis

As set forth in Title 60, Chapter 1, Part 3, **Oil and Gas severance tax** is levied for the use and benefit of the state and county governments at 3% of the sale price and with 2/3 of the revenue being deposited into state's general fund and 1/3 of all revenues collected from the tax being allocated to the county bi-annually and then stored in the county's general fund. This part does not provide any statutory allocation for the use of Oil and Gas Severance Tax within the county; however, Senate Bill No. 1086, amending 67-7-104 and increasing the coal severance tax, may infer that oil and gas severance tax revenue is intended to be for the use of county infrastructure and roadways.

As set forth in Title 67, Chapter 7, Part 1, **Coal severance tax** is collected by the state on behalf of local government with the Department of Revenue promulgating all regulations and administration and collection of this tax. The statutory tax is $1.00/ton for the state of Tennessee. A return is filed with the state for each county from which coal is severed and a copy of the same return must also be sent to the county. All revenue collected from this tax are subject to a 1.125% administration fee by the state. The remaining revenue is remitted to the county for the following specific purposes: one half of all revenues collected **shall** be used for the educational system or systems of the county, and the remaining one-half of revenue **shall** be used for highway and stream cleaning systems of the county.

However, 2009 Senate Bill No. 1086 which increased the statutory coal severance tax rate states that the purpose of allocating coal severance tax in this manner is the general assembly's anticipation that

local governments will use a portion of the funds allocated to educational endeavors for environmental awareness programs and increase the amount of highway funds available to local governments after an earlier decline in gas and oil collections caused a decline in highway funds. Despite this, the statutory allocation is for education systems and highway and stream cleaning systems.

As set forth in Title 67, Chapter 7, Part 2, **Other Minerals (sand, gravel, sandstone, chert, and limestone) severance tax** is collected by the state on behalf of the local government with the Department of Revenue promulgating all regulations, administration and collection of this tax. The rate of the tax must be set by the county legislative body, but must not exceed statutory rates provided in 67-7-203, which is for the 2025-2029 Fiscal Years, $.20/ton. All revenue from this tax is collected by the state and a portion thereof is retained to cover the expenses of administration and collection with the remaining amount being remitted quarterly to the county trustee. These revenues **shall** become a part of the county road fund, and shall be used for the construction, maintenance and repair of the county road system.

Smith County, Tennessee, did pass a resolution by 2/3 vote to increase their mineral severance tax and to allocate mineral tax revenue to the county road fund, general fund, or any other fund of the county. Ultimately this went through the house and the senate and after reviewing current and estimated future Mineral Severance Tax Revenue generated by Smith County the legislation required that collections of the aforementioned tax in Smith County be allocated to the county road fund rather than allowing the county to allocate such revenue at its discretion and the provision was deleted as recorded in HB0695/SB0889 effective April, 2025. *See attached schedule of severance tax revenue receipted by Anderson County over the last decade provided by the Anderson County Department of Finance.*

Conclusion

The current statutory framework designates the allocation of the use of severance tax revenues in counties from coal and minerals, but not for oil and gas.

Specifically, coal severance taxes are allocated equally to the county's education systems and highway/stream cleaning efforts. According to Regina Copeland, Anderson County Trustee, Anderson County has not generated any revenue from coal severance tax since 2020, and in the years leading up to that the revenue was very minimal; therefore it may not be justifiable to take legislative action in an effort to reallocate such funds.

Mineral severance taxes are designated by statute for the county road fund. Based on this review and past efforts by Smith County through the General Assembly to reallocate mineral severance tax revenue, it is recommended to clearly outline how the revenue would be used if reallocated, and to estimate the projected revenue and determine if Anderson County Generates enough Mineral service tax revenue funds to justify legislative efforts at the state level for reallocation. *See attached schedule of severance tax revenue receipted by Anderson County over the last decade provided by the Anderson County Department of Finance.*

Importantly, as dictated by Tennessee Code (67-7-209), the local legislature does not possess the authority to override statutory allocations of coal or mineral severance tax revenue, as any conflicting local acts are repealed. The precedent set by legislative actions in Smith County, which attempted to allocate mineral severance tax revenues to broader county funds, was ultimately invalidated, reaffirming that any re-allocations require state-level legislative change.

Oil and gas severance taxes are primarily collected and allocated by the state, with approximately one-third directed to county revenues and deposited bi-annually in the county general fund. There is no statutory allocation for oil and gas severance tax and therefore allocation of this tax is under local authority.

Ultimately the Coal severance tax revenue stream does not justify efforts for legislative change regarding the allocation of the revenue. Mineral Severance tax revenue is significantly higher with potential for a significant increase under the new legislature providing scheduled tax rate increases for the next decade if passed by 2/3 vote of commission however, the allocation of mineral severance tax revenue is firmly set by statute and prior attempts have been rejected and repealed at the state level. Finally, the Oil and Gas Severance tax is currently deposited into the General Fund and has no statutory allocation.

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CASSANDRA M. POWELL, PARALEGAL
cpowell@andersoncountytn.gov

July 28, 2025

Via Email & US Mail:
rep.ed.butler@capitol.tn.gov
Rep. Ed Butler
425 Rep. John Lewis Way N.
Suite 578 Cordell Hull Building
Nashville, TN 37243

Via Email & US Mail:
rep.rick.scarbrough@capitol.tn.gov
Rep. Rick Scarbrough
423 Rep. John Lewis Way N.
Suite 614 Cordell Hull Bldg.
Nashville, TN 37243

Re: Illegal Robocalls and Texts

Dear Representatives Butler and Scarborough,

I am writing to you at the direction of the Anderson County Commission. The residents and businesses in our county are inundated with robo-calls and texts daily because of our dependency on cell phones. In fact, I have received two scam texts while preparing this letter. I am sure you receive these unwanted communications on your business and personal phones as well. The Commission recognizes that the Federal Communications Commission is the lead enforcement agency on this matter.

Nevertheless, I am sending this letter to you in hope that the State of Tennessee can help. We seek your assistance in looking for any tool, which is available to the legislature or the departments of Tennessee government that have jurisdiction, to enforce the ban on these unwanted calls and texts, including illegal and spoofed calls.

Thank you for taking the time to read this correspondence, your advocacy in Nashville, and for the tireless effort you both put forth on behalf of the citizens of Anderson County.

Sincerely yours,

James W. Brooks, Jr., Esq.
Anderson County Law Director

cc: Mayor, Terry Frank
Anderson County Board of Commissioners

JAMES W. BROOKS, JR.
ANDERSON COUNTY LAW DIRECTOR
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(865) 457-6290

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CASSANDRA M. POWELL, PARALEGAL
cpowell@andersoncountytn.gov

July 28, 2025

Windrock Land Company
614 Mabry Hood Road, Ste. 301
Knoxville, TN 37932
Attn: Lewis Howard, Jr.

RE: Removal of Gate at Entrance to Mining Road

Mr. Howard,

The Anderson County Operations Committee has requested I contact you regarding a locked gate installed on your property (tax map 60, parcel 1.0) located at the intersection of New River Highway and an old mining road. As you are aware, this mining road is the only access available to the descendants of the individuals buried in the Aslinger Cemetery (tax map 39, parcel 7.0) located on your land and the Matt Phillips (tax map 36, parcel 6.0) Cemetery and a second cemetery located on land owned by the State of Tennessee (tax map 50, parcel 1.0).

Descendants of the family members buried in these cemeteries have used this road as an access easement for over one hundred (100) years. The right of individuals to visit the cemeteries to visit the graves and for the purpose of repairing, beautifying and protecting the graves and grounds around the same is clear and unequivocal, and for these purposes, the law grants an easement to them for ingress and egress from New River Highway, the public road which is nearest to the cemeteries. This easement exists regardless of whether or not it is set out in your deed. The easement rights are paramount in the easement area to those of the landowner and the landowner is not permitted to unreasonably interfere with the easement.

The gate and No Trespassing signs installed by your lessee are incompatible with our citizens' right to use the access easement. The installation of a locked gate prohibits citizens from visiting the cemeteries. The chilling effect of the No Trespassing signs dissuade these individuals from visiting the graves of their ancestors. These easement rights are superior to the leasehold interest of your lessee or the ability of Windrock Land Company or its lessee and agents to limit access.

We respectfully request the gate be removed and the No Trespassing signs be taken down.

Sincerely,

James Brooks Jr., Esq.
Anderson County Law Director

cc: Mayor, Terry Frank
Anderson County Board of Commission

JAMES W. BROOKS, JR.
ANDERSON COUNTY LAW DIRECTOR
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MORGAN JONES, PARALEGAL

CASSANDRA M. POWELL, PARALEGAL

July 28, 2025

VIA CERTIFIED MAIL
Aurora Pools, Spas and Billiard Galley, Inc.
ATTN: John W. Gifford, Registered Agent
6521 Central Avenue Pike
Knoxville, TN 37912

RE: Permit Required for Pool and Swimming Pool Installation

Dear Mr. Gifford,

I am writing to you on behalf of the Anderson County, Tennessee Department of Planning and Development. I need to make you aware of our permit requirement for swimming pools. Anderson County adopted the 2018 International Residential Code (IRC) which was updated by the 2024 IRC. Anderson County adopted this update this month. Sections 105.1 and 105.2 apply to swimming pool installations. You are required to obtain a permit from the Planning and Development office before you break ground to install any swimming pool unless it is a prefabricated swimming pool that is less than 24 inches (610 mm) deep.

A stop work order will be issued if no permit is obtained. Please comply with the IRC and our Planning and Development office to avoid the issuance of a stop work order impacting your business and your landowner customers. Recently, a notice of violation was issued to one of your customers on a pool your company installed because there was no permit obtained prior to the installation.

Please call, if you have additional questions or concerns.

Sincerely,

James Brooks, Jr.

Cassandra Powell

From: Timothy Simonds <Timothy.Simonds@ag.tn.gov>
Sent: Monday, July 28, 2025 1:53 PM
To: Timothy Simonds
Cc: James P. Urban
Subject: External: Notice of Filing of Tennessee False Claims Act Lawsuit against CSX Transportation, Inc. in the Circuit Court of Hamilton County, Tennessee (Case No. 25C874) by Connie Wise—Notice to potential local government prosecuting authorities

Dear Counsel,

On July 9, 2025, a lawsuit was filed in the Circuit Court of Hamilton County, Tennessee (Case No. 25C874) asserting certain purported claims against CSX Transportation, Inc. ("CSX") under the Tennessee False Claims Act, codified at Tenn. Code Ann. §§ 4-18-101 to -108, by Connie Wise on behalf of a large number Tennessee counties and municipalities. Based on certain public records available to the Attorney General's Office ("Office"), it is our understanding that you currently serve as legal counsel for one or more of the counties/municipalities named in the lawsuit.

Our Office received a complete copy of the complaint (including exhibits) from plaintiff's counsel via certified mail on July 11, 2025.

In summary, the complaint alleges that CSX has inaccurately reported the values of its real property holdings located in the State of Tennessee to the Tennessee Office of State Assessed Properties for tax assessment purposes with the result that CSX has allegedly underpaid its real property taxes to the various Tennessee counties and municipalities named in the lawsuit for over ten years.

Based on our Office's initial inquiry into the matter, it appears the claims at issue in the lawsuit involve "political subdivision funds" instead of "state funds." Further, the counties and municipalities named in the action (through their respective prosecuting authorities) are entitled to intervene in the lawsuit to the extent the claims asserted under the False Claims Act involve "political subdivision funds." Accordingly, pursuant to Tenn. Code Ann. § 4-18-104(c)(7), we are providing all the municipalities and counties named in the lawsuit, by and through their legal counsel of record, copies of the complaint (including exhibits) and the written disclosure of material evidence and information provided by legal counsel representing Connie Wise in the lawsuit.

Because the lawsuit materials are quite voluminous, we are unable to attach them to this email, but you may download all the documents by accessing the following web link:

CSX Transportation Lawsuit - Documents

To gain access to the site for the purpose of viewing and downloading the documents, please use the following username and password:

Username: CSXTransportationLawsuit@ag.tn.gov

Password: 5TGs9jU$DaUL*eyY

Please be advised that the Tennessee False Claims Act (and specifically Tenn. Code Ann. § 4-18-104) establishes certain strict deadlines for the prosecuting authorities of the counties and municipalities named in the lawsuit to inform the Court as to whether or not they intend to intervene in the lawsuit.

Also, our Office's investigation of the matter is still ongoing, and we reserve all rights to intervene or otherwise participate in the action to the extent authorized by law.

If, after reviewing the lawsuit materials, you have any questions or need any additional information, please feel free to contact the undersigned by email (Timothy.Simonds@ag.tn.gov) or phone (615-532-7405) or James P. Urban (James.Urban@ag.tn.gov and 615-741-3739).

Sincerely,

Tim Simonds

Timothy R. Simonds | Deputy Attorney General
Financial Division
Office of the Tennessee Attorney General
500 Dr. Martin L. King Jr. Blvd.
Nashville, Tennessee 37243
Mailing Address:
P.O. Box 20207
Nashville, Tennessee 37202
p. 615.532.7405
Timothy.Simonds@ag.tn.gov

MAKING THE CASE FOR TENNESSEE

Annette Prewitt

From: Commissioner Tracy Wandell
Sent: Wednesday, August 6, 2025 9:46 AM
To: isbelt@ymail.com
Cc: Annette Prewitt
Subject: Fw: External: SR 170 (Edgemoor Rd) from SR 62 to SR 9 (US 25W, Clinton Hwy) Improvement Projects | Andeson County

Dear Chairman Isbel,

I respectfully request to add the following item to the Operations agenda.

- State Route 170 / Edgemoor Road updates

Respectfully,

Tracy

Tracy Wandell
Anderson County Commissioner
District 1
865-388-0921 cell
twandell@andersoncountytn.gov

From: Marlena Gore <Marlena.Gore@tn.gov>
Sent: Tuesday, July 29, 2025 11:24 AM
To: Commissioner Tracy Wandell <twandell@andersoncountytn.gov>
Cc: John Barrett <John.Barrett@tn.gov>; Andrew Padgett <Andrew.Padgett@tn.gov>
Subject: External: SR 170 (Edgemoor Rd) from SR 62 to SR 9 (US 25W, Clinton Hwy) Improvement Projects | Andeson County

Commissioner Wandell,

Thank you for contacting the department regarding the State Route (SR) 170 (Edgemoor Rd) Improvement Projects in Anderson County, it was a pleasure speaking with you.

To follow up on our conversation, in summary we are currently in the process of developing the functional design plans for both segments of the SR 170 (Edgemoor Road) project as a combined corridor. Various options/solutions are being considered during the planning and

over -

design phases to create a balanced multimodal system throughout the corridor; for instance, traffic signal and lighting locations, median openings, bike/ped facilities, etc.

Technical studies are underway assessing environmental impacts. Our Geotechnical Engineering team as well as our surveyors are onsite collecting data along the corridor to provide our designers with the information they need to develop project plans.

Currently, we are planning our next public meeting in early to mid-Fall 2025 as part of our Environmental Assessment for the corridor. We will be combining the required NEPA public hearing with a design public meeting when it is scheduled. A specific date with details will be forthcoming. At this meeting we will encourage feedback on the details presented to the public for review in advance of the functional design plans being completed. More specific details concerning right-of-way implications along the corridor will be presented during this meeting too. Public notifications will be sent in advance of the meeting.

In addition, each affected property owner will be contacted individually after the first of the year (early 2026) by a TDOT representative who will provide information specific to their property and how it will be processed moving forward.

If you have any other questions or need additional information, please do not hesitate to contact me.

Thank you,

TN TDOT

Marléna Gore, CPM
Project Manager
TDOT/Region One Project Management
7345 Region Ln.
Knoxville, TN 37914
865.396.4714 mobile
marlena.gore@tn.gov
tn.gov/tdot

Explanation & Intent Behind the Proposal and Resolution

The creation of the Anderson County Animal Shelter Advisory Board is rooted in a need for structure, transparency, and strategic reform. For nearly a decade, shelter operations have remained stagnant, despite increasing concerns from citizens and volunteers. Significant taxpayer dollars have been spent, yet the only public conversation centers around vague plans for something "new" in the future—while real and pressing problems in the present are ignored. The shelter continues to operate without clear evaluation and accountability, consistent review, or meaningful community input.

When issues were finally brought forward during a recent County Commission workshop, it was the first time any visible movement occurred. That workshop, in fact, should serve as a model for what this advisory board is designed to do on a regular basis: review conditions, gather feedback, engage with the public, analyze data, and make informed recommendations. Commissioners should not be expected to troubleshoot the operational complexities of a shelter—this is not their area of expertise. Rather than absorbing more control, a conservative approach would be to release control to a qualified advisory body, bringing transparency and expertise into the conversation without expanding government bureaucracy.

We are calling for a new era of governance: one that reflects "limited government" values by delegating appropriately, respecting public resources, and inviting citizen participation. This board is a foundational step toward accountability and meaningful improvement—for the people, the animals, and the integrity of Anderson County's public services.

CAAAC

Citizens for Animal Advocacy in Anderson County

Proposed Anderson County Animal Shelter Advisory Board

This proposal outlines the structure, purpose, and impact of a formal advisory board for the Anderson County Animal Shelter. The board will meet monthly, monitor shelter performance, and provide public accountability on matters of animal welfare and taxpayer-funded services.

Board Overview

- 9 voting members, appointed by the County Commission
- Composition:
- 2 County Commissioners (preferably those with prior service on the former animal advisory committee)
    - 1 Veterinarian or animal welfare professional with an advanced degree
    - 1 Representative from a 501(c)(3) animal welfare organization
    - 1 Member with experience in public health, law enforcement, or emergency services
    - 4 At-large citizen advocates with demonstrated commitment to animal welfare or shelter reform
- Monthly public meetings
- Member shall serve a term of 1 year and may be reappointed to successive terms
- Scope: Advisory only—no direct operational control
- Non-voting Ex Officio Members: County Mayor, Director of Animal Control, County Veterinarian, Law Director or office representative

Key Duties

- Timely Recommendations: County Mayor to respond to all written board recommendations within 15 business days; unresolved matters automatically move to the full Commission
- Review shelter policies, procedures, performance data, and public complaints
- Serve as a liaison for public feedback and community concerns
- Promote best practices in animal sheltering, humane treatment, and transparency
- Submit an annual report to the full Commission detailing board activity, findings, and recommendations

First-Year Mandates

- Conduct a comprehensive review of all shelter policies within 90 days
- Host a public shelter forum within 3 months to gather public input
- Propose strategies for volunteer reengagement, transparency, and community outreach

Why This Matters

The creation of this advisory board marks the first structured, consistent mechanism for community partnership, policy oversight, and humane reform at the Anderson County Animal Shelter. It is designed to ensure that taxpayer-funded services align with public values and recognized standards of animal care.