

**Congress of the United States**  
**House of Representatives**

COMMITTEE ON OVERSIGHT AND REFORM

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**MEMORANDUM**

**December 8, 2020**

**To: Members of the Committee on Oversight and Reform**

**Fr: Majority Staff**

**Re: Hearing on “The Role of Purdue Pharma and the Sackler Family in the Opioid Epidemic”**

**On Tuesday, December 15, 2020, at 10:00 a.m.,** the Committee will hold a remote hearing over WebEx to examine the role of Purdue Pharma L.P. and four members of the Sackler family—Dr. Richard Sackler, Mr. Mortimer D.A. Sackler, Dr. Kathe Sackler, and Mr. David Sackler—in fueling America’s opioid epidemic. Since 1999, nearly 450,000 Americans have lost their lives to opioid overdoses.<sup>1</sup>

**I. BACKGROUND**

In 1996, Purdue brought OxyContin—a highly addictive prescription pain medication—to market.<sup>2</sup> Since then, Purdue has generated more than \$30 billion in sales of OxyContin, and the Sackler family has withdrawn more than \$10 billion from the company.<sup>3</sup>

In 2007, Purdue settled with the Department of Justice (DOJ) on charges of misbranding OxyContin and paid \$600 million in fines. DOJ reportedly declined the recommendation of federal prosecutors to indict three of Purdue’s top executives on felony charges for misleading the public about OxyContin’s risk of addiction. The 2007 settlement did not include an admission of wrongdoing or liability from the Sackler family.<sup>4</sup>

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<sup>1</sup> Centers for Disease Control and Prevention, *Understanding the Epidemic* (Mar. 19, 2020) (online at [www.cdc.gov/drugoverdose/epidemic/index.html](http://www.cdc.gov/drugoverdose/epidemic/index.html)).

<sup>2</sup> *Meet the Sacklers: The Family Feuding over Blame for the Opioid Crisis*, Guardian (Feb. 13, 2018) (online at [www.theguardian.com/us-news/2018/feb/13/meet-the-sacklers-the-family-feuding-over-blame-for-the-opioid-crisis](http://www.theguardian.com/us-news/2018/feb/13/meet-the-sacklers-the-family-feuding-over-blame-for-the-opioid-crisis)).

<sup>3</sup> ‘*You Want a Description of Hell?’ OxyContin’s 12-Hour Problem*, Los Angeles Times (May 5, 2016) (online at [www.latimes.com/projects/oxycontin-part1/](http://www.latimes.com/projects/oxycontin-part1/)); *The Sackler Family Withdrew More Than \$10 Billion from Purdue Pharma During the Country’s Opioid Crisis*, CNN (Oct. 21, 2020) (online at [www.cnn.com/2019/12/17/us/purdue-pharma-sackler-family-10-billion-withdrawals/index.html](http://www.cnn.com/2019/12/17/us/purdue-pharma-sackler-family-10-billion-withdrawals/index.html)).

<sup>4</sup> *Origins of an Epidemic: Purdue Pharma Knew Its Opioids Were Widely Abused*, New York Times (May 29, 2018) (online at [www.nytimes.com/2018/05/29/health/purdue-opioids-oxycontin.html](http://www.nytimes.com/2018/05/29/health/purdue-opioids-oxycontin.html)).

On October 21, 2020, DOJ announced another proposed settlement agreement resolving criminal and civil investigations into Purdue and a civil investigation into Dr. Richard Sackler, Mr. Mortimer D.A. Sackler, Dr. Kathe Sackler, and Mr. David Sacker. As part of the settlement, the Sackler family agreed to pay \$225 million in damages to resolve civil False Claims Act liability, representing approximately 2% of the family's estimated \$13 billion net worth.<sup>5</sup> The proposed DOJ settlement did not include any criminal charges against individual Purdue executives or members of the Sackler family, or an admission of liability or wrongdoing by the named members of the Sackler family.<sup>6</sup>

In March 2019, under the leadership of the late Chairman Elijah E. Cummings and Committee Member Rep. Mark DeSaulnier, the Committee launched an investigation into the role of the Sackler family in Purdue's marketing of OxyContin following the 2007 settlement.<sup>7</sup>

In 2016, more than 11.5 million Americans reported misusing prescription opioids.<sup>8</sup> Between 1999 and 2018, nearly 450,000 people in the United States died from fatal opioid overdoses.<sup>9</sup>

## II. HEARING PURPOSE

The purpose of this hearing is to examine the Sackler family's involvement in Purdue's marketing and sales of OxyContin, which has fueled America's opioid crisis. This hearing will inform future legislative efforts to address the substance use disorder epidemic in this country.

The House Committee on Oversight and Reform is the authorizing committee for the Office of National Drug Control Policy (ONDCP), a component of the Executive Office of the President tasked with reducing drug use and its consequences by leading and coordinating the development, implementation, and assessment of United States drug policy.<sup>10</sup> The Committee reauthorized ONDCP in the 115th Congress. Examining the factors that prompted America's addiction epidemic—including the role of Purdue and the Sackler family in fueling the nation's

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<sup>5</sup> *Even Without Purdue Pharma, Sackler Family Is Worth Billions*, Bloomberg (Mar. 5, 2019) (online at [www.bloomberg.com/news/articles/2019-03-05/even-without-purdue-pharma-sackler-family-is-worth-13-billion](http://www.bloomberg.com/news/articles/2019-03-05/even-without-purdue-pharma-sackler-family-is-worth-13-billion)).

<sup>6</sup> Department of Justice, *Justice Department Announces Global Resolution of Criminal and Civil Investigations with Opioid Manufacturer Purdue Pharma and Civil Settlement with Members of the Sackler Family* (Oct. 21, 2020) (online at [www.justice.gov/opa/pr/justice-department-announces-global-resolution-criminal-and-civil-investigations-opioid](http://www.justice.gov/opa/pr/justice-department-announces-global-resolution-criminal-and-civil-investigations-opioid)).

<sup>7</sup> Letter from Chairman Elijah E. Cummings, Committee on Oversight and Reform, and Rep. Mark DeSaulnier to Craig Landau, President and Chief Executive Officer, Purdue Pharma L.P. (Mar. 21, 2019) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/2019-03-21.EEC%20DeSaulnier%20to%20Landau-Purdue.pdf>).

<sup>8</sup> Centers for Disease Control and Prevention, *Prescription Opioids* (Aug. 19, 2017) (online at [www.cdc.gov/drugoverdose/opioids/prescribed.html](http://www.cdc.gov/drugoverdose/opioids/prescribed.html)).

<sup>9</sup> Centers for Disease Control and Prevention, *Understanding the Epidemic* (Mar. 19, 2020) (online at [www.cdc.gov/drugoverdose/epidemic/index.html](http://www.cdc.gov/drugoverdose/epidemic/index.html)).

<sup>10</sup> The White House, Office of National Drug Control Policy (online at [www.whitehouse.gov/ondcp/](http://www.whitehouse.gov/ondcp/)) (accessed Dec. 1, 2020).

opioid crisis—informs the Committee’s legislative efforts to ensure that ONDCP is adequately equipped to reduce substance misuse through public health and public safety measures.

The Supreme Court has made clear that Congress has broad authority to inquire about a wide array of topics that could be the subject of legislation and appropriations:

The power of inquiry has been employed by Congress throughout our history, over the whole range of the national interests concerning which Congress might legislate or decide upon due investigation not to legislate; it has similarly been utilized in determining what to appropriate from the national purse, or whether to appropriate. The scope of the power of inquiry, in short, is as penetrating and farreaching [sic] as the potential power to enact and appropriate under the Constitution.<sup>11</sup>

This broad investigative authority extends to state and local responses to the opioid epidemic and efforts to support those recovering from addiction—issues on which Congress has legislated in the past and may legislate again in the future.<sup>12</sup>

### **III. WITNESSES**

**Dr. Richard Sackler**

Former President, CEO, and Chairman of the Board of Directors  
Purdue Pharma L.P.

**Mortimer D.A. Sackler**

Former Vice President and Member of the Board of Directors  
Purdue Pharma L.P.

**Dr. Kathe Sackler**

Former Vice President and Member of the Board of Directors  
Purdue Pharma L.P.

**David Sackler**

Former Member of the Board of Directors  
Purdue Pharma L.P.

**Craig Landau**

President and CEO  
Purdue Pharma L.P.

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<sup>11</sup> *Barenblatt v. U.S.*, 360 U.S. 109, 111 (1959).

<sup>12</sup> SUPPORT for Patients and Communities Act, Pub. L. No. 115-271 (2018); H.R. 2569.