## Congress of the United States

## House of Representatives

COMMITTEE ON OVERSIGHT AND REFORM 2157 RAYBURN HOUSE OFFICE BUILDING WASHINGTON, DC 20515–6143

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## Opening Statement Chairwoman Carolyn B. Maloney Committee on Oversight and Reform Hearing – "The SACKLER Act and Other Policies to Promote Accountability for the Sackler Family's Role in the Opioid Epidemic" June 8, 2021

Today, the Committee on Oversight and Reform will hold its second hearing to examine how the Sackler family caused America's opioid epidemic—one of the deadliest public health crises in our nation's history.

Last December, after being threatened with subpoenas, David Sackler and Kathe Sackler <u>testified</u> before this Committee about how their family pushed Purdue Pharma executives to flood the market with the dangerous painkiller OxyContin, and deceive the public about its addictive potential.

During that <u>hearing</u>, Kathe Sackler, who previously served as a Vice President of the company and on its Board of Directors, refused to apologize for her family's central role in causing the opioid epidemic.

When I asked her whether she would apologize for the role she played in the opioid epidemic, she said, and I quote: "There is nothing I can find that I would have done differently."

Over the past two decades, nearly half a million people in the United States have died as a result of the opioid epidemic.

Yet there's not a single thing the Sacklers would have done differently. It's shocking, it's appalling, and it shows why we desperately need accountability for the Sacklers' outrageous conduct.

COVID-19 has claimed 597,000 American lives, so the opioid epidemic is nearly as deadly as the worst pandemic in modern history.

And there's no vaccine for opioid addiction.

Since the Committee's December hearing, even more information has come to light concerning the Sacklers' deadly disregard for human life.

Much of this information has been brought forward by Patrick Radden Keefe, whose recently

published exposé, Empire of Pain, reveals disturbing new details of the Sacklers' stewardship of Purdue Pharma.

In his book, Mr. Keefe provides a horrifying account of how the Sacklers disregarded reports of OxyContin's misuse as the opioid crisis ignited, pushed Purdue's executives to sell more and more of the dangerous prescription painkiller as the crisis raged, and heartlessly blamed those experiencing addiction in order to protect OxyContin and its profitability.

Mr. Keefe's book also raises serious questions about how our federal regulatory agencies fell short in their mission to keep Americans safe, and how a lack of proper guardrails between government and industry fueled this deadly public health crisis.

It is a privilege to have Mr. Keefe join us today.

Since Purdue brought OxyContin to market in 1996, the company has generated more than \$35 billion in revenue from its sales.

During that same period, the Sackler family withdrew more than \$10 billion from the company.

I'm outraged that the Sackler family and Purdue Pharma have profited off the suffering of so many families and communities.

And instead of accepting responsibility for the harm they've caused, the Sacklers are seeking to use a loophole in our bankruptcy system to evade accountability.

In March, I introduced the SACKLER Act with Congressman DeSaulnier.

The SACKLER Act would ensure that bad actors who have not filed for bankruptcy, like the Sacklers, are prohibited from using the bankruptcy process to obtain legal releases from government lawsuits brought against them.

The Sacklers cannot have it both ways.

For years, they have falsely claimed that their family was not involved with Purdue's reckless marketing of OxyContin.

At the same time, they are trying to evade accountability by obtaining legal releases for themselves through the Purdue bankruptcy.

What's worse, they're actually going to retain their ownership of their foreign opioid manufacturers for several years, and they're proposing to pay the \$4.2 billion they're contributing to the settlement by selling more opioids overseas!

It's deeply disappointing that the Department of Justice has been complicit in devising this plan to let the Sacklers off the hook, and I will be writing to the new Attorney General, Merrick Garland, to ask him to reconsider DOJ's position.

The plan is a slap in the face to the millions of people who have been directly harmed by their actions.

The SACKLER Act is a commonsense reform that has been cosponsored by more than 50 Members of Congress; has been endorsed by dozens of patient, treatment, and corporate accountability organizations; and is supported by both Democratic and Republican state attorneys general.

I'd like to insert the list of groups that have endorsed the bill into the record. Without objection, so ordered.

Editorial Boards, including at the <u>Boston Globe</u> and <u>Scranton's Times-Tribune</u>, have called on Congress to pass the SACKLER Act.

<u>The Globe</u> said that Congress needs to pass this bill to, quote, "ensure that state attorneys general never again have to rely on the individual judges to guard against this misuse of bankruptcy courts."

And the <u>Scranton Times-Tribune</u> wrote that, quote, "People harmed by others' wayward misconduct should not be precluded from compensation through inappropriate use of bankruptcy protections. Congress should pass the bill."

It is imperative that Congress act swiftly to prevent the Sacklers, and other bad actors like them, from manipulating the bankruptcy system to evade accountability for their actions.

The Sacklers have gotten away with a slap on the wrist before, and it didn't deter them—they went right back to selling an even more potent version of OxyContin. So we need real accountability this time—not just another slap on the wrist.

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