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## Stop-smoking efforts don't see money

States spent only 3% of \$243.8 billion they received from tobacco companies

By Cheryl Wetzstein

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States have collected billions of dollars from tobacco companies but spent only 3 percent of it to combat smoking - a less-than-robust response to the high costs of health care associated with smoking, a federal report released Thursday says.

Of the \$243.8 billion in tobacco money received from 1998 to 2010 from a landmark tobacco settlement and excise taxes, states spent only \$8.1 billion, or 3.3 percent, on "tobacco control," the <u>Centers for Disease Control and Prevention</u> said in its Morbidity and Mortality Weekly Report.

This is far below the 12 percent minimum, or \$29.2 billion, that the CDC recommended states spend on smoking-prevention efforts. Tobacco use is the leading preventable cause of death and has health-care costs of \$96 billion a year, the agency says.

Antismoking advocates echoed the CDC, saying most states already have been "penny-wise and pound-foolish" and some may be getting even more stingy with their tobacco-prevention efforts.

In the 2012 budget year, "states will collect \$25.6 billion in tobacco revenue, but will spend less than 2 percent of it - \$456.7 million - on tobacco-prevention programs," said Matthew L. Myers, president of the Campaign for Tobacco-Free Kids.

This is "an enormous missed opportunity to accelerate progress against tobacco use in the United States," he said.

But others called the current state of affairs entirely predictable. There was no stipulation in the 1998 tobacco settlement on how states must spend the money, so it "became another honey pot," said <u>Tad DeHaven</u>, a budget analyst at the Cato Institute.

In cases like that, he said, speaking from his past experience as a state budget official, "when you have money coming in, it's going to be spent where the wheel is squeaky. And some wheels are squeakier than others."

Meanwhile, U.S. smoking levels are slowly declining.

According to the CDC, the number of adults who smoke fell from 20.9 percent in 2005 to 19.3 percent in 2010. This is far from the smoking levels seen in 1964, when 42 percent of adults smoked, but not on a track to reach the CDC's goal of reducing adult smoking to 10 percent by 2025.

Teen smoking is also down: In 2011, 18.7 percent of high-school seniors, 11.8 percent of 10th-graders and 6.1 percent of eighth-graders told the Monitoring the Future survey that they had smoked cigarettes in the past month. These are the lowest 30-day smoking figures since the school-based survey started in 1975.

Arguments about funding have dogged the landmark tobacco settlement from its beginning.

In late 1998, 46 attorneys generals and major tobacco companies agreed to a "master settlement agreement" in which the companies would pay the states \$206 billion over 25 years to defray costs of providing Medicaid health care to smokers.

Although attorneys general touted the settlement as a way to combat health costs and "save a generation or at least a big part of it," as one official said, the agreement did not specify how the money had to be spent.

It soon became evident that states would use the tobacco windfall as they pleased, pouring funds into reading programs, road construction, sidewalk repair and state-employee benefits. Anti-tobacco leaders, who once imagined that most of the tobacco money would fund prevention efforts, fumed as newspapers reported that 3 cents on the dollar were going to reduce smoking.

"The CDC report confirms that most states have broken the promises they made at the time of the 1998 tobacco settlement to invest a significant portion of their settlement funds in fighting tobacco use, especially among kids," Mr. Myers said Thursday.

Noting that one study has shown that for every \$1 spent on tobacco-prevention, the state saved \$5 in hospital costs, Mr. Myers said states have "no excuse" for failing to fund tobacco-prevention programs.