

CAMPAIGN For TOBACCO-FREE Kids®

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National Report Ranks North Carolina 21st In Protecting Kids From Tobacco —Report Finds State Most Improved In Protecting Kids from Tobacco—

Washington, DC (December 2, 2004) – North Carolina is one of the most improved states in the nation in funding programs to protect kids from tobacco and its ranking among the states has jumped from 30th to 21st in the past year, according to a national report released today by a coalition of public health organizations.

In the past two years, North Carolina has increased funding for tobacco prevention from \$6.2 million to \$15 million in the current budget year. As a result, North Carolina's current spending on tobacco prevention amounts to 35.2 percent of the minimum amount of \$42.6 million recommended by the U.S. Centers for Disease Control and Prevention (CDC). The report praised Lieutenant Governor Beverly Perdue and the Health and Wellness Trust Fund Commission for the significant increase in tobacco prevention spending.

While North Carolina has made progress, the state's spending on tobacco prevention still pales in comparison to the record \$488 million a year the tobacco companies spend to market cigarettes and other tobacco products in the state. This means the tobacco companies spend \$33 to market tobacco products in North Carolina for every dollar the state spends on tobacco prevention.

The report also found North Carolina has plenty of tobacco-generated revenue to increase funding for tobacco prevention. North Carolina's current spending on tobacco prevention amounts to just 8.3 percent of the \$181.1 million it will collect this year from the state tobacco settlement and tobacco taxes.

“North Carolina is one of the most improved states in the nation in funding programs to protect kids from tobacco, and we hope to see continued progress toward funding tobacco prevention programs at the minimum amount recommended by the CDC,” said William V. Corr, Executive Director of the Campaign for Tobacco-Free Kids. “North Carolina must maintain and build on its tobacco prevention efforts because the tobacco companies are spending record amounts to market their deadly and addictive products, often in ways that appeal to kids. Tobacco prevention is a smart investment that protects kids, saves lives and saves money for taxpayers by reducing tobacco-related health care costs.”

The report, “A Broken Promise to Our Children,” was released by the Campaign for Tobacco-Free Kids, American Heart Association, American Cancer Society and American Lung Association. It concludes that, six years after the 1998 multi-state tobacco settlement, most states have failed to keep their promise to spend a significant portion of their settlement money on programs to prevent kids from starting to smoke and help smokers quit. The states are expected to collect about \$246 billion from the tobacco settlements over 25 year.

Because 38 states and the District of Columbia have increased tobacco taxes in the last three years, the states this year will collect a record \$20 billion in tobacco-generated revenue from the tobacco settlement and tobacco taxes. However, they are spending just 2.7 percent of this total, or \$538 million, on programs

to prevent kids from starting to smoke and help smokers quit, according to the report. This amounts to only a third of what the CDC recommends the states spend on tobacco prevention and cessation programs.

In contrast, the tobacco companies have increased their marketing by more than 84 percent since the tobacco settlement to a record \$12.7 billion a year, or \$34.8 million a day, according to the Federal Trade Commission's latest reports on tobacco marketing. As a result, the tobacco companies spend more than \$23 dollars to market cigarettes and other tobacco products nationwide for every dollar the states spend on tobacco prevention. The tobacco companies spend more on marketing in a single day than 46 states and the District of Columbia each spend in an entire year on tobacco prevention.

This year's report also finds the following:

- Only three states – Maine, Delaware and Mississippi – currently fund tobacco prevention programs at minimum levels recommended by the CDC.
- Only ten other states are funding tobacco prevention programs at even half the minimum levels recommended by the CDC.
- Thirty-two states are spending less than half the CDC's minimum amount. Another five states – Michigan, Missouri, New Hampshire, South Carolina and Tennessee – and the District of Columbia allocate no significant state funds for tobacco prevention.

The report found that there is more evidence than ever that tobacco prevention programs work to reduce smoking, save lives, and save money by reducing smoking-caused health costs. Maine, which ranks first among the states in funding tobacco prevention, has reduced smoking by 48 percent among high school students and 59 percent among middle school students since launching its tobacco prevention program in 1997. Mississippi, ranked third in the report, reduced smoking by 48 percent among public middle school students and 29 percent among public high school students between 1999 and 2002. Studies show California's program, started in 1990, has helped save tens of thousands of lives by reducing smoking-caused heart disease, lung cancer and other diseases. Studies show California and Massachusetts have saved as much as \$3 in smoking-caused health costs for every dollar spent on tobacco prevention.

Tobacco use is the leading cause of preventable death in the U.S., killing more than 400,000 people and costing more than \$75 billion in health care bills every year. Nearly 90 percent of all smokers start at or before age 18. Every day in the U.S., another 2,000 kids become regular smokers, one-third of whom will die prematurely as a result.

In North Carolina, 24.8 percent of high school students currently smoke, and 24,600 more kids become regular smokers every year. Each year, tobacco use claims 11,500 lives and costs the state \$1.92 billion in health care bills.

More information, including the full report and state-specific information, can be obtained on the Internet at www.tobaccofreekids.org/reports/settlements or by calling 202-296-5469.

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