

Oklahoma Tobacco Settlement Endowment Trust

Overview of Program Funding

The Oklahoma Tobacco Settlement Endowment Trust was created by Oklahoma voters through a Constitutional amendment approved in November 2000.

Background

- Of the \$495.4 million in tobacco settlement payments received by the State of Oklahoma from October 1999 through June 2006, the Endowment has received \$254.1 million or about 51% for investment. The Office of the Attorney General receives approximately 1% of each settlement payment, and the Oklahoma State Legislature has appropriated the balance to health and human services agencies and programs, especially Medicaid.
- Only the interest and dividend earnings from the Endowment's investments may be spent on programs and operations. By law, operating expenses are not to exceed 15% of earnings annually.
- The Board of Investors has certified a total of \$19.7 million in earnings from FY-01 through FY-06. FY-06 earnings were certified in the amount of \$6,843,383. Per board policy, each year the TSET places 10% of certified earnings on reserve.
- The Board of Directors has focused program funding in the early years of the endowment on evidence-based programs to reduce the toll of tobacco in Oklahoma by preventing tobacco use, promoting cessation, and reducing exposure to secondhand smoke.

Current Programs

- *Oklahoma Tobacco Helpline* (1-800-QUIT-NOW). Launched in August 2003, the Helpline is a free telephone-based counseling service for all Oklahomans who want to quit using tobacco. Nicotine patches or gum are also provided to eligible participants. The FY-07 Helpline budget of \$3.5 million utilizes a combination of \$2.25 million in TSET funds and \$1.25 million in funds from the Oklahoma State Department of Health.
- *Communities of Excellence*. Sixteen community coalitions are entering the third year of a five year grant period to implement comprehensive programs in 25 counties and three tribal nations. The FY-07 budget is \$2.3 million.
- *Addressing Tobacco in Specific Populations*. Four grantees have recently been selected to conduct programs serving populations at high risk for tobacco use and tobacco-related disease. The FY-07 budget is \$400,000. This is the first year of a five year grant period.
- *Public Education and Youth Prevention Counter-marketing*. Media campaigns to prevent youth tobacco use, reduce exposure to secondhand smoke, and promote the Oklahoma Tobacco Helpline provide public education and support for community programs. The FY-07 budget is \$1.5 million.
- *Evaluation*. An external evaluation of TSET-funded tobacco control program is conducted by the University of Oklahoma College of Public Health, Department of Biostatistics and Epidemiology. The FY-07 budget for evaluation is \$371,000.
- *Technical Assistance and Coordination*. To leverage federal and state resources, avoid duplication, and promote progress toward objectives, the TSET has partnered with the Oklahoma State Department of Health, Tobacco Use Prevention Service, to provide training and technical assistance for tobacco control grantees. The FY-07 budget for this "Statewide Program Office" is \$337,000.

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