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## **Tobacco Settlement Endowment Trust Releases Annual Report**

**OKLAHOMA CITY** – The Board of Directors of the Oklahoma Tobacco Settlement Endowment Trust Fund released its first annual report this week. The report provides an accounting of tobacco settlement payments received by the State of Oklahoma and an overview of the history and accomplishments of the Board of Directors.

The board was created when voters approved a constitutional amendment in 2000 to protect the majority of Oklahoma's share of the National Tobacco Settlement, invest the funds and use the proceeds to pay for programs to keep young people from becoming addicted to tobacco and to help smokers quit.

To date, the State of Oklahoma has received almost \$250 million in settlement payments from the tobacco industry. Of that amount, more than \$146 million has been distributed to the State Legislature, slightly more than \$3 million has been distributed to the Attorney General's Office and \$100 million has been placed into Oklahoma's Tobacco Settlement Endowment Trust Fund.

“While many state governments have squandered their share of the Tobacco Settlement, Oklahoma voters have established an airtight system to make sure money is always available for tobacco prevention and cessation programs,” said State Treasurer Robert Butkin, Chair of the Trust's Board of Investors.

Butkin said the Board of Investors and Board of Directors are working together toward the same goal – to dramatically reduce tobacco use in Oklahoma. Oklahoma currently ranks 42nd, eighth lowest, among the states in funding of tobacco use prevention and cessation programs.

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“Most people don’t realize that only the earnings from the Trust can be used to support programs in any of the five broad categories defined in the constitutional amendment,” said Tracey Strader, executive director of the trust. “It takes time for the earnings to grow, even in strong economic times.”

Dr. Robert McCaffree, Chair of the Board of Directors said, “although the Trust’s Board of Directors recognizes tobacco use prevention and cessation as our top priority for funding, at the current rate of growth it will be at least 10 years before we’ll have sufficient earnings to fully support an effective statewide program.”

The Board of Directors is encouraging the Legislature to substantially increase taxes on cigarettes and other tobacco products. Such increases have been proven to effectively curb tobacco use, particularly among youth.

“Just a portion of the new revenue could provide enough funding for an effective statewide tobacco use prevention and cessation program right away, and still leave a majority of the revenue available for other health-related needs in Oklahoma,” said McCaffree.

To download a copy of the full report, please visit the Trust’s website at <http://www.tobaccosettlement.state.ok.us>.

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