



Overview

Unlike other states, Oklahoma has kept the promise of the 1998 Master Settlement Agreement.

Oklahoma is the only state in the nation to have constitutionally protected the majority of the Master Settlement Agreement funds in an endowment to ensure a growing funding source dedicated to improving the health of Oklahomans for generations to come.

A 2000 constitutional amendment approved by voters by a 69% to 31% margin:

- Established the Oklahoma Tobacco Settlement Endowment Trust Fund (TSET) from which **only the earnings** may be spent on programs to improve the health of Oklahomans
- Allocated the MSA payments, directing 25% to the Oklahoma State Legislature for appropriation and 75% to the endowment
- Established a Board of Investors to oversee the fund's investments
- Established a Board of Directors to strategically fund programs to improve the state's health

The Board of Directors is bipartisan with representation from each congressional district in the state. The board engaged in a strategic planning process with input from key stakeholders including elected officials, private funders, state agency directors, voluntary organizations, and health advocates from around the state. Stakeholders overwhelmingly agreed that the board was on track with its **mission to improve the health of every Oklahoman by reducing Oklahoma's leading causes of death.**

- Oklahoma ranks last among states in cardiovascular disease deaths.
- Cancer is the second leading cause of death, affecting one out of three Oklahomans.
- Tobacco use, physical inactivity, and poor nutrition are the leading causes of cardiovascular disease and cancer.

All TSET-funded programs are based on strong evidence of effectiveness and are rigorously evaluated. The strategic plan has focused program funding on supporting **the Oklahoma State Plan for Tobacco Use Prevention and Cessation**, created by a statutorily established advisory committee. As additional funds become available, TSET program funding will also begin to address physical inactivity and poor nutrition in our state.

The Endowment is a long-term strategy to improve Oklahoma's health status. Progress has been made, but there is much to be done. In FY 2002 certified earnings were \$652,000. Earnings have grown over the years to a high of \$17.8 million in FY 2010. However, this is only about 50% of the **minimum** amount of tobacco prevention funding recommended by the Centers for Disease Control and Prevention.

Oklahoma has moved up in rank from 41st to 13th in the nation in funding for tobacco prevention. As a result of the increase in earnings, the board was able to fund each of the essential components of a statewide comprehensive tobacco control program **for the first time** in FY 2008.

Early signs of progress are beginning to be realized. New data from the Oklahoma Behavioral Risk Factor Surveillance System show that Oklahoma's adult smoking prevalence rate has moved below 25% for the first time since the endowment was established. One of the strategic plan's primary goals is to lower Oklahoma's rates below the national average (currently 20%) by 2012.

As tobacco use declines nationally, MSA payments to all states will be reduced. If Oklahoma does not keep pace with the rest of the nation in reducing tobacco use, the state will bear the burden of high health care costs due to tobacco-caused diseases *as well* as the declining MSA payments.