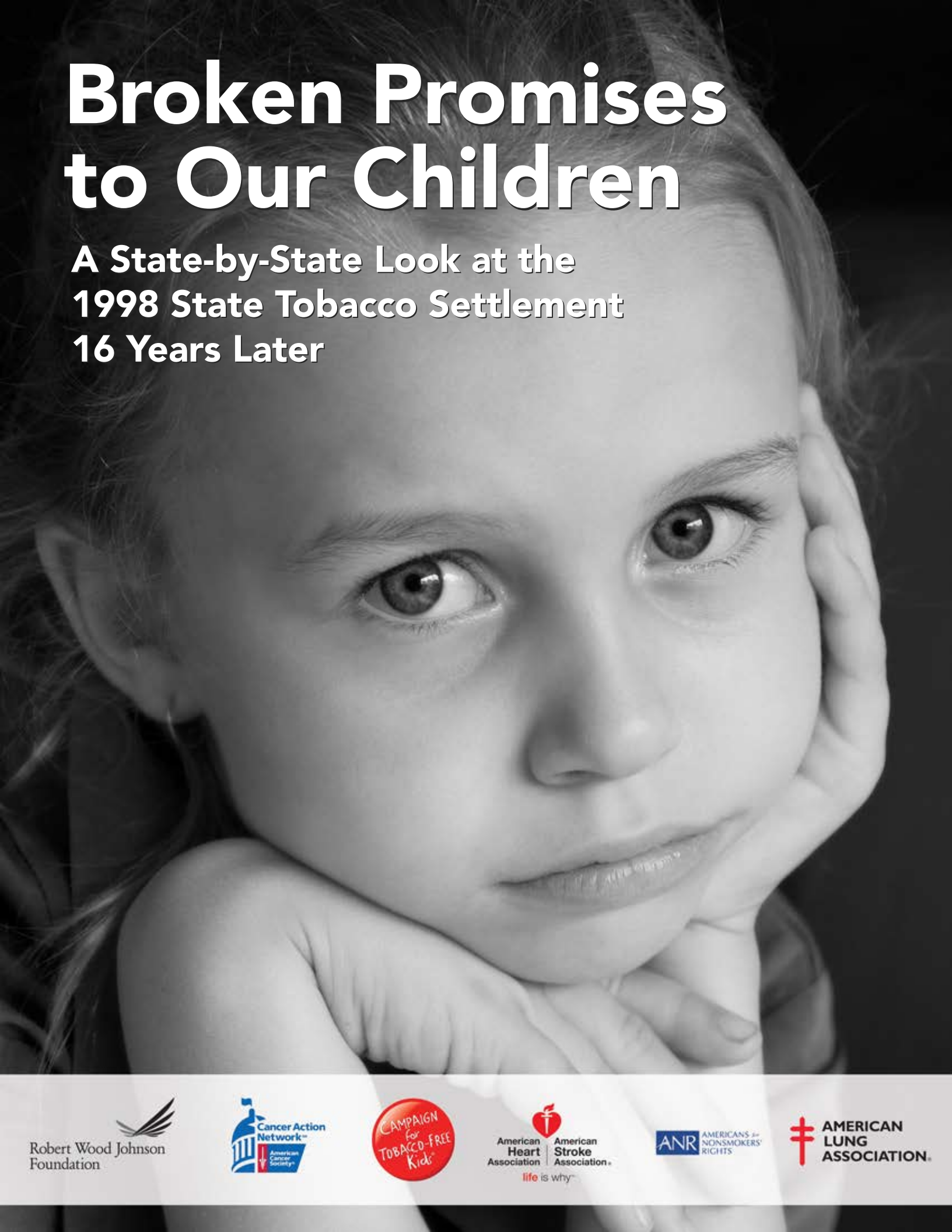

Broken Promises to Our Children

A State-by-State Look at the 1998 State Tobacco Settlement 16 Years Later

Robert Wood Johnson Foundation

Cancer Action Network — American Cancer Society

Campaign for Tobacco-Free Kids

American Heart Association | American Stroke Association

life is why

ANR Americans for Nonsmokers' Rights

American Lung Association

Broken Promises to Our Children: A State-by-State Look at the 1998 State Tobacco Settlement 16 Years Later

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Support for this report was provided by a grant from the Robert Wood Johnson Foundation.

Executive Summary

Since the states settled their lawsuits against the major tobacco companies in November 1998, our organizations have issued annual reports assessing whether the states have kept their promise to use a significant portion of their settlement funds – estimated to total $246 billion over the first 25 years – to attack the enormous public health problems posed by tobacco use in the United States.

In addition to the billions of dollars they receive each year from the tobacco settlement, the states collect billions more in tobacco taxes. This year, our report finds that the states continue to spend only a miniscule portion of their tobacco revenues to fight tobacco use.

In the current budget year, Fiscal Year 2015, the states will collect $25.6 billion in revenue from the tobacco settlement and tobacco taxes. But they will spend only 1.9 percent of it – $490.4 million – on programs to prevent kids from smoking and help smokers quit. This means the states are spending less than two cents of every dollar in tobacco revenue to fight tobacco use.

The states' failure to adequately fund tobacco prevention and cessation programs is undermining the nation's efforts to reduce tobacco use – the number one cause of preventable death. It is also indefensible given the conclusive evidence that such programs work not only to reduce smoking and save lives, but also to reduce tobacco-related health care costs. These costs total about $170 billion a year in the United States, according to a new study just published by the Centers for Disease Control and Prevention (CDC).[1]

Providing powerful evidence that tobacco prevention measures work, Florida recently reported that its high school smoking rate fell to just 7.5 percent in 2014.[2] This is one of the lowest rates ever recorded by any state. Among its efforts to reduce tobacco use, Florida has a long-running and well-funded tobacco prevention program.

Our report projects the national and state-specific savings – both in lives and money – if each state cut youth smoking to Florida's low rate (See Table: National and State-Specific Impacts of Reducing Youth Smoking to 7.5 Percent, p. 9). If the national high school smoking rate declined from the current 15.7 percent to 7.5 percent, we project it would:

- **Prevent 7 million kids alive today from becoming adult smokers**
- **Save 2.3 million kids from premature, smoking-caused deaths**
- **Save $122.1 billion in future, tobacco-related health care costs.[3]**

These projections underscore how much the nation's health would benefit if the states reduced their smoking rates to less than half the current national rate.

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[1] Xu, Xin, "Annual Healthcare Spending Attributable to Cigarette Smoking," *Am J Prev Med*, published online: December 09, 2014, http://www.ajpmonline.org/article/S0749-3797%2814%2900616-3/abstract

[2] Florida Department of Health, *2014 Florida Youth Tobacco Survey: Fact Sheet 1, Youth Cigarette Use.*

[3] See Table: National and State-Specific Impacts of Reducing Youth Smoking to 7.5 Percent, page 9 of this report for sources for these projections.

Additional conclusions of this year's report include:

- The states are falling far short of recommended funding levels for tobacco prevention programs set by the CDC.[4] The $490.4 million allocated by the states amounts to just 14.8 percent of the $3.3 billion the CDC recommends for all the states combined. It would take less than 13 percent of total state tobacco revenues to meet the CDC recommendations in every state.

- Counting both state funding and a federal grant, only two states – **North Dakota** and **Alaska** – currently fund tobacco prevention programs at the CDC-recommended level. Only five other states – **Delaware, Oklahoma, Hawaii, Wyoming and Maine** – provide even half the recommended funding. Thirty-one states and the District of Columbia are spending less than 20 percent of what the CDC recommends. **New Jersey**, which ranks last in our report, is the only state this year that has allocated no state funds for tobacco prevention programs.

- The states' funding of tobacco prevention programs pales in comparison to the huge sums tobacco companies spend to market their deadly and addictive products. According to the latest data from the Federal Trade Commission (for 2011), the major cigarette and smokeless tobacco companies spend $8.8 billion a year – one million dollars each hour – on marketing. This means the tobacco companies spend $18 to market tobacco products for every one dollar the states spend to reduce tobacco use.

- The $490.4 million the states have budgeted for tobacco prevention this year amounts to a small increase from the $481.2 million allocated last year. However, it is nearly a third less than the $717.2 million spent in FY 2008, after which states made deep cuts to tobacco prevention programs.

Bold Action Needed to Win the Fight Against Tobacco

This report comes as the United States marks the 50th anniversary of the first Surgeon General's report on smoking and health, released on January 11, 1964, and as a new Surgeon General's report called for bold action to accelerate progress and ultimately eliminate the death and disease caused by tobacco use.

The U.S. has made tremendous progress in reducing tobacco use, but enormous challenges remain. In the last 50 years, the adult smoking rate has been cut by 58 percent – from 42.4 percent in 1965 to 17.8 percent in 2013, according to the CDC's National Health Interview Survey.[5] Since peaking at 36.4 percent in 1997, the high school smoking rate has been cut by 57 percent to 15.7 percent in 2013, according to the CDC's Youth Risk Behavior Survey.[6] Public attitudes about tobacco have fundamentally changed, and more Americans are protected from harmful secondhand smoke than ever before.

[4] U.S. Centers for Disease Control and Prevention (CDC), *Best Practices for Comprehensive Tobacco Control Programs – 2014*, Atlanta, GA: U.S. Department of Health and Human Services (HHS), January 2014.
[5] CDC, "Current Cigarette Smoking Among Adults – United States, 2005-2013," *MMWR*, Vol. 63, No. 47, November 28, 2014.
[6] CDC, "Youth Risk Behavior Surveillance – United States, 2013," *MMWR*, Vol. 63, No. 4, June 13, 2014.

Despite these gains, tobacco use remains the number one cause of preventable death and disease in the United States.

The new Surgeon General's report issued in January 2014, *The Health Consequences of Smoking – 50 Years of Progress*, found that cigarette smoking is even more hazardous and takes an even greater health and financial toll on the nation than previously thought. Each year, smoking kills 480,000 Americans – causing about one out of every five deaths in the U.S. Without urgent action to reduce tobacco use, 5.6 million children alive today will die prematurely from smoking-caused disease.[7]

The new Surgeon General's report confirmed that we have scientifically proven strategies to reduce tobacco use and laid out a detailed road map for implementing these strategies. The report's recommendations include "fully funding comprehensive statewide tobacco control programs at CDC recommended levels."

Other recommendations of the Surgeon General include:

- Conducting national media campaigns such as the CDC's Tips from Former Smokers campaign and the Food and Drug Administration's youth prevention campaigns "at a high frequency level and exposure for 12 months a year for a decade or more."

- Increasing tobacco taxes to prevent kids from smoking and encourage smokers to quit.

- Fulfilling the Affordable Care Act's requirement that health plans provide coverage for proven tobacco cessation treatments, including counseling and medication.

- Effectively implementing the FDA's authority over tobacco products "in order to reduce tobacco product addictiveness and harmfulness."

- Enacting comprehensive smoke-free laws that protect all Americans from secondhand smoke. Currently, 24 states, Washington, DC, and hundreds of cities have such laws, protecting nearly half the U.S. population.

These recommendations echo those made by other public health authorities, including the Institute of Medicine (IOM) and the President's Cancer Panel.[8]

To mark the 50th anniversary of the first Surgeon General's report, leading public health and medical organizations have called for strong action by all levels of government to achieve three goals: 1) Reduce smoking rates to less than 10 percent within 10 years; 2) protect all Americans from secondhand smoke within five years; and 3) ultimately eliminate the death and disease caused by tobacco use.

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[7] U.S. Department of Health and Human Services, *The Health Consequences of Smoking: 50 Years of Progress. A Report of the Surgeon General*, Atlanta, GA: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion, Office on Smoking and Health, 2014.

[8] Institute of Medicine, *Ending the Tobacco Problem: A Blueprint for the Nation*, National Academy of Sciences, 2007; U.S. Department of Health and Human Services, *Promoting Healthy Lifestyles: Policy, Program and Personal Recommendations for Reducing Cancer Risk*, 2006-2007 Annual Report, President's Cancer Panel.

Full implementation of the Surgeon General's recommendations – including funding state tobacco prevention and cessation programs at CDC-recommended levels – is critical to achieving these goals.

States Have the Resources and the Evidence to Fund Tobacco Prevention Programs

As this report makes clear, the states lack excuses for failing to properly fund tobacco prevention and cessation programs. First, the problem has not been solved – tobacco use remains the nation's leading cause of preventable death. The states' funding of tobacco prevention programs is woefully inadequate given the magnitude of the problem.

Second, every state has plenty of tobacco-generated revenue to fund a tobacco prevention program at CDC-recommended levels.

Third, there is conclusive evidence that tobacco prevention and cessation programs work to reduce smoking, save lives and save money by reducing tobacco-related health care costs, especially when part of a comprehensive strategy that also includes higher tobacco taxes and smoke-free workplace laws. Every scientific authority that has studied the issue, including the Surgeon General, the CDC, the IOM, the President's Cancer Panel and the National Cancer Institute, has concluded that when properly funded, implemented and sustained, these programs reduce smoking among both kids and adults. In November, the *Community Preventive Services Task Force*, an independent expert advisory committee created by CDC, found "strong evidence" that comprehensive tobacco prevention and cessation programs reduce tobacco use among adults and young people, and that these programs are also cost-effective.[9] (See Appendix D and Appendix E for a full summary of this evidence).

The 2014 Surgeon General's report found, "States that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarettes sales than the nation as a whole, and the prevalence of smoking among adults and youth has declined faster, as spending for tobacco control programs has increased." The report concluded that long-term investment is critical: "Experience also shows that the longer the states invest in comprehensive tobacco control programs, the greater and faster the impact."

The CDC reached similar conclusions in January 2014 when it released its updated *Best Practices for Comprehensive Tobacco Control Programs – 2014.* The CDC found, "Research shows that the more states spend on comprehensive tobacco control programs, the greater the reductions in smoking. The longer states invest in such programs, the great and quicker the impact."[10]

In a 2007 report, *Ending the Tobacco Problem: A Blueprint for the Nation*, the IOM concluded:[11]

[9] The Guide to Community Preventive Services, "Reducing Tobacco Use and Secondhand Smoke Exposure: Comprehensive Tobacco Control Programs," November 2014.
[10] U.S. Centers for Disease Control and Prevention (CDC), *Best Practices for Comprehensive Tobacco Control Programs – 2014*, Atlanta, GA: U.S. Department of Health and Human Services (HHS), January 2014.
[11] Institute of Medicine, *Ending the Tobacco Problem: A Blueprint for the Nation*, National Academy of Sciences, 2007.

> The committee finds compelling evidence that comprehensive state tobacco control programs can achieve substantial reductions in tobacco use. To effectively reduce tobacco use, states must maintain over time a comprehensive integrated tobacco control strategy. However, large budget cutbacks in many states' tobacco control programs have seriously jeopardized further success. In the committee's view, states should adopt a funding strategy designed to provide stable support for the level of tobacco control funding recommended by the Centers for Disease Control and Prevention.

Tobacco Prevention Programs Save Lives and Save Money

The strongest evidence that tobacco prevention programs work comes from the states themselves.

Florida recently reported that its high school smoking rate fell to 7.5 percent in 2014, which is one of the lowest rates ever reported by any state. Florida has cut high school smoking by 73 percent since 1998.[12]

One key to Florida's success is the Tobacco-Free Florida program. Launched in 2007 and based on CDC Best Practices, the program implements community-based efforts including the youth-led Students Working Against Tobacco (SWAT), hard-hitting media campaigns and help for smokers who want to quit. Funding for the program comes from a constitutional amendment approved by Florida voters in 2006, which requires the state to spend 15 percent of its tobacco settlement funds on tobacco prevention. While Florida has room to improve in funding tobacco prevention and cessation programs, this year it will spend more than any other state ($66.6 million) on such programs. The 2006 amendment was in response to the elimination of funding for Florida's pioneering Truth youth tobacco prevention program, which was also funded with settlement dollars, contributed to smoking declines in Florida and served as a model for tobacco prevention programs across the country.

In addition to funding tobacco prevention, Florida increased its cigarette tax by $1 per pack in 2009. In 2003, Florida implemented a voter-approved smoke-free law that includes restaurants and other workplaces (but not bars).

Other states with well-funded tobacco prevention and cessation programs have also reported significant progress.

Alaska, which has consistently ranked high in funding tobacco prevention programs, has cut its high school smoking rate by over 70 percent since 1995, to just 10.6 percent in 2013.[13]

Maine, which ranked first in funding tobacco prevention programs from 2002 to 2007, reduced smoking among high school students by 67 percent between 1997 and 2013.[14] Washington state,

[12] Florida Department of Health. Chronic Disease Epidemiology, Surveillance, and Evaluation Section. *Florida Youth Tobacco Survey*, 2014.
[13] 2013 Alaska Youth Risk Behavior Survey.

which had a well-funded prevention program before funding was virtually eliminated in FY 2012, reduced adult smoking by one-third and youth smoking by half between 1999, when it started its program, and 2010.[15]

These smoking declines translate into lives and health care dollars saved. A study conducted for the Washington State Department of Health estimated that the state's tobacco prevention and cessation program has prevented 13,000 premature deaths.[16]

A December 2011 study in the *American Journal of Public Health* found that between 2000 and 2009, Washington state saved more than $5 in health care costs for every $1 spent on its tobacco prevention and cessation program by reducing hospitalizations for heart disease, strokes, respiratory diseases and cancer caused by tobacco use. Over the 10-year period, the program prevented nearly 36,000 hospitalizations, saving $1.5 billion compared to $260 million spent on the program. The 5:1 return on investment is conservative because the cost savings reflect only the savings from prevented hospitalizations.

Studies show that California, which has the nation's longest-running tobacco prevention and cessation program, has saved tens of thousands of lives by reducing smoking-caused birth complications, heart disease, strokes and lung cancer. Lung cancer rates in California decreased by 33 percent from 1988 to 2011, while rates in the rest of the U.S. decreased only 11 percent from 1988 to 2009. Researchers have associated the declines in lung cancer rates with the efforts of California's program.[17] A February 2013 study in the scientific journal *PLOS ONE* found that, from 1989 to 2008, California's tobacco control program reduced health care costs by $134 billion, far more than the $2.4 billion spent on the program.[18]

Given such a strong return on investment, states are being truly penny-wise and pound-foolish in shortchanging tobacco prevention and cessation programs. Even in difficult budget times, tobacco prevention is one of the smartest and most fiscally responsible investments that states can make.

The United States has made remarkable progress in reducing tobacco use by implementing proven strategies, including well-funded tobacco prevention and cessation programs, tobacco tax increases and comprehensive smoke-free laws. With the addition of the FDA's authority over tobacco products, today we have more tools than ever before to win the fight against tobacco. Our nation's challenge is to fully implement these strategies and finally combat the tobacco epidemic with a level of leadership and resources that matches the enormous scope of the problem. If we do so, we can end this preventable epidemic and create a healthier future free of the death and disease caused by tobacco.

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[14] National Youth Risk Behavior Survey, 1997 and 2013.
[15] Washington State Department of Health, Tobacco Prevention and Control Program, *Progress Report*, March 2011
[16] Dilley, Julia A., et al., "Program, Policy and Price Interventions for Tobacco Control: Quantifying the Return on Investment of a State Tobacco Control Program," *American Journal of Public Health*, February 2012.
[17] American Cancer Society, *California Cancer Facts & Figures, 2014*; Pierce, J. et al., "Forty Years of Faster Decline in Cigarette Smoking in California Explains Current Lower Lung Cancer Rates," *Cancer Epidemiology, Biomarkers and Prevention*, September 2010.
[18] Lightwood, J and Glantz SA, "The Effect of the California Tobacco Control Program on Smoking Prevalence, Cigarette Consumption, and Healthcare Costs: 1989-2008," *PLOS ONE* 8(2), February 2013.

FY2015 State Rankings:
States Ranked by Percent of CDC-Recommended Funding Levels

(Annual funding amounts only include state funds.)

State	FY2015 Current Annual Funding (millions)	CDC Annual Recommendation (millions)[§]	FY2015 Percent of CDC's Recommendation	Current Rank
North Dakota*	$9.5	$9.8	97.1%	1
Alaska*	$9.7	$10.2	95.6%	2
Delaware	$8.7	$13.0	66.7%	3
Oklahoma	$23.6	$42.3	55.7%	4
Hawaii	$7.5	$13.7	55.0%	5
Wyoming	$4.6	$8.5	54.1%	6
Maine	$8.2	$15.9	51.4%	7
Arkansas	$17.5	$36.7	47.6%	8
Vermont	$3.9	$8.4	46.4%	9
Colorado	$23.1	$52.9	43.7%	10
Minnesota	$22.3	$52.9	42.2%	11
South Dakota	$4.5	$11.7	38.5%	12
Utah	$7.4	$19.3	38.2%	13
Montana	$5.4	$14.6	37.0%	14
Florida	$66.6	$194.2	34.3%	15
Mississippi	$10.9	$36.5	29.9%	16
Arizona	$18.6	$64.4	28.9%	17
New Mexico	$5.9	$22.8	26.0%	18
Oregon	$9.9	$39.3	25.2%	19
New York	$39.3	$203.0	19.4%	20
District of Columbia	$2.0	$10.7	18.7%	21
West Virginia	$4.9	$27.4	17.8%	22
Maryland	$8.5	$48.0	17.7%	23
Iowa	$5.2	$30.1	17.4%	24
Idaho	$2.7	$15.6	17.1%	25
California	$58.9	$347.9	16.9%	26
Louisiana	$6.8	$59.6	11.4%	27

State	FY2015 Current Annual Funding (millions)	CDC Annual Recommendation (millions)[§]	FY2015 Percent of CDC's Recommendation	Current Rank
Nebraska	$2.4	$20.8	11.4%	27
Connecticut	$3.5	$32.0	11.0%	29
Pennsylvania**	$13.8	$140.0	9.9%	30
South Carolina	$5.0	$51.0	9.8%	31
Virginia	$8.5	$91.6	9.3%	32
Wisconsin	$5.3	$57.5	9.2%	33
Illinois	$11.1	$136.7	8.1%	34
Indiana	$5.8	$73.5	7.8%	35
Tennessee	$5.0	$75.6	6.6%	36
Massachusetts	$3.9	$66.9	5.8%	37
Ohio	$7.7	$132.0	5.8%	37
Kentucky	$2.5	$56.4	4.4%	39
Texas	$10.7	$264.1	4.1%	40
Kansas	$946,761	$27.9	3.4%	41
Nevada	$1.0	$30.0	3.3%	42
Rhode Island	$388,027	$12.8	3.0%	43
Washington	$1.9	$63.6	2.9%	44
Georgia	$1.8	$106.0	1.7%	45
Michigan	$1.5	$110.6	1.4%	46
North Carolina	$1.2	$99.3	1.2%	47
New Hampshire	$125,000	$16.5	0.8%	48
Alabama	$362,000	$55.9	0.6%	49
Missouri	$70,788	$72.9	0.1%	50
New Jersey**	$0.0	$103.3	0.0%	51

[§] CDC annual recommendations are based on CDC *Best Practices for Comprehensive Tobacco Control Programs*, 2014, http://www.cdc.gov/tobacco/stateandcommunity/best_practices/index.htm?s_cid=cs_3281

* North Dakota and Alaska currently fund tobacco prevention programs at 2014 CDC recommended spending levels when federal spending is included. With federal spending included, North Dakota is spending $10.7 million, and Alaska is spending $11.0 million.

** Annual spending estimated, not confirmed by the state health department.

National and State-Specific Impacts of Reducing Youth Smoking to 7.5 Percent

Nationally, 15.7 percent of high school students smoke. While the United States has made enormous progress in reducing smoking, every day, tobacco use kills 1,300 more Americans, and more than 2,800 kids try their first cigarette. By funding comprehensive tobacco prevention and cessation programs, increasing tobacco taxes, and implementing strong smoke-free laws, states are showing that it is possible to reduce youth smoking even further. In 2014, for example, Florida recorded a high school smoking rate of 7.5 percent. The benefits of achieving this decline are significant and should prompt every state to do more to reduce youth smoking.

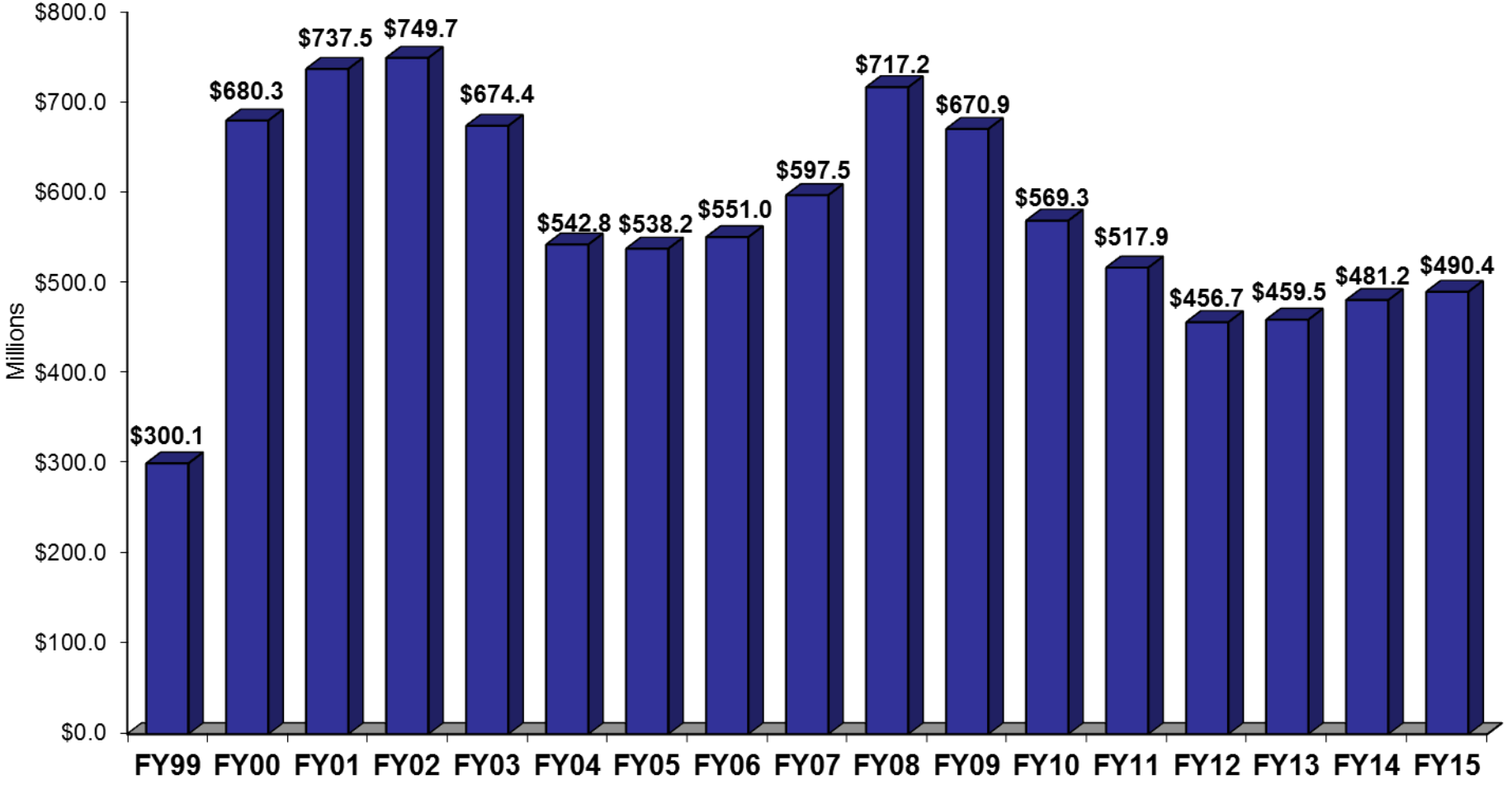
If the national high school smoking rate was reduced to 7.5 percent today, it would prevent seven million kids alive today from growing up to become adult smokers, save 2.3 million kids from premature deaths, and save $122.1 billion in future health care costs. The table below outlines the benefits each state could expect to receive if it reduced its current high school smoking rate to 7.5 percent.

State	Current Youth Smoking Rate	Fewer Kids Growing Up to Become Adult Smokers	Kids' Lives Saved	Future Health Care Savings (millions)
USA	**15.7%**	**7.0 million**	**2.3 million**	**$122.1 bill.**
Alabama	18.0%	134,160	47,250	$2.3 bill.
Alaska	10.6%	9,940	3,500	$174.0
Arizona	14.1%	119,360	42,120	$2.1 bill.
Arkansas	19.1%	93,520	32,790	$1.6 bill.
California	10.5%	280,000	98,850	$4.9 bill.
Colorado	10.7%	61,900	21,830	$1.1 bill.
Connecticut	13.5%	48,000	16,880	$840.0
Delaware	14.2%	16,040	5,660	$280.7
DC	12.5%	6,400	2,000	$112.0
Florida	7.5%	N/A	N/A	N/A
Georgia	12.8%	182,180	64,170	$3.2 bill.
Hawaii	10.4%	13,100	4,460	$229.3
Idaho	12.2%	26,190	9,240	$458.3
Illinois	14.1%	236,850	83,780	$4.1 bill.
Indiana	13.7%	148,890	52,490	$2.6 bill.
Iowa	18.1%	77,880	27,520	$1.4 bill.
Kansas	10.2%	34,940	12,170	$611.5
Kentucky	17.9%	148,150	52,290	$2.6 bill.
Louisiana	12.1%	77,550	27,370	$1.4 bill.
Maine	12.8%	23,600	8,280	$413.0
Maryland	11.9%	73,570	25,880	$1.3 bill.
Massachusetts	10.7%	69,380	24,520	$1.2 bill.
Michigan	11.8%	156,690	55,380	$2.7 bill.
Minnesota	10.6%	69,310	24,270	$1.2 bill.
Mississippi	17.2%	90,790	31,580	$1.6 bill.
Missouri	14.9%	140,050	49,160	$2.5 bill.
Montana	15.2%	23,300	8,100	$407.8
Nebraska	10.9%	25,260	8,730	$442.1
Nevada	10.3%	23,370	8,150	$409.0
New Hampshire	13.8%	20,080	6,840	$351.4
New Jersey	12.9%	140,650	49,390	$2.5 bill.
New Mexico	14.4%	39,770	13,890	$696.0

State	Current Youth Smoking Rate	Fewer Kids Growing Up to Become Adult Smokers	Kids' Lives Saved	Future Health Care Savings (millions)
New York	10.6%	197,690	69,890	$3.5 bill.
North Carolina	15.0%	215,500	76,000	$3.8 bill.
North Dakota	19.0%	21,180	7,260	$370.7
Ohio	15.1%	293,930	103,680	$5.1 bill.
Oklahoma	18.5%	124,860	44,000	$2.2 bill.
Oregon	9.4%	27,690	9,700	$484.6
Pennsylvania	18.4%	334,100	117,880	$5.8 bill.
Rhode Island	8.0%	1,870	620	$32.7
South Carolina	16.0%	118,460	41,430	$2.1 bill.
South Dakota	16.5%	28,360	9,810	$496.3
Tennessee	15.4%	158,000	55,910	$2.8 bill.
Texas	14.1%	495,700	175,060	$8.7 bill.
Utah	4.4%	N/A	N/A	N/A
Vermont	13.3%	9,150	3,050	$160.1
Virginia	11.1%	110,590	38,910	$1.9 bill.
Washington	9.5%	44,210	15,570	$773.7
West Virginia	19.6%	68,520	24,070	$1.2 bill.
Wisconsin	10.7%	64,290	22,720	$1.1 bill.
Wyoming	17.4%	17,060	5,680	$298.6

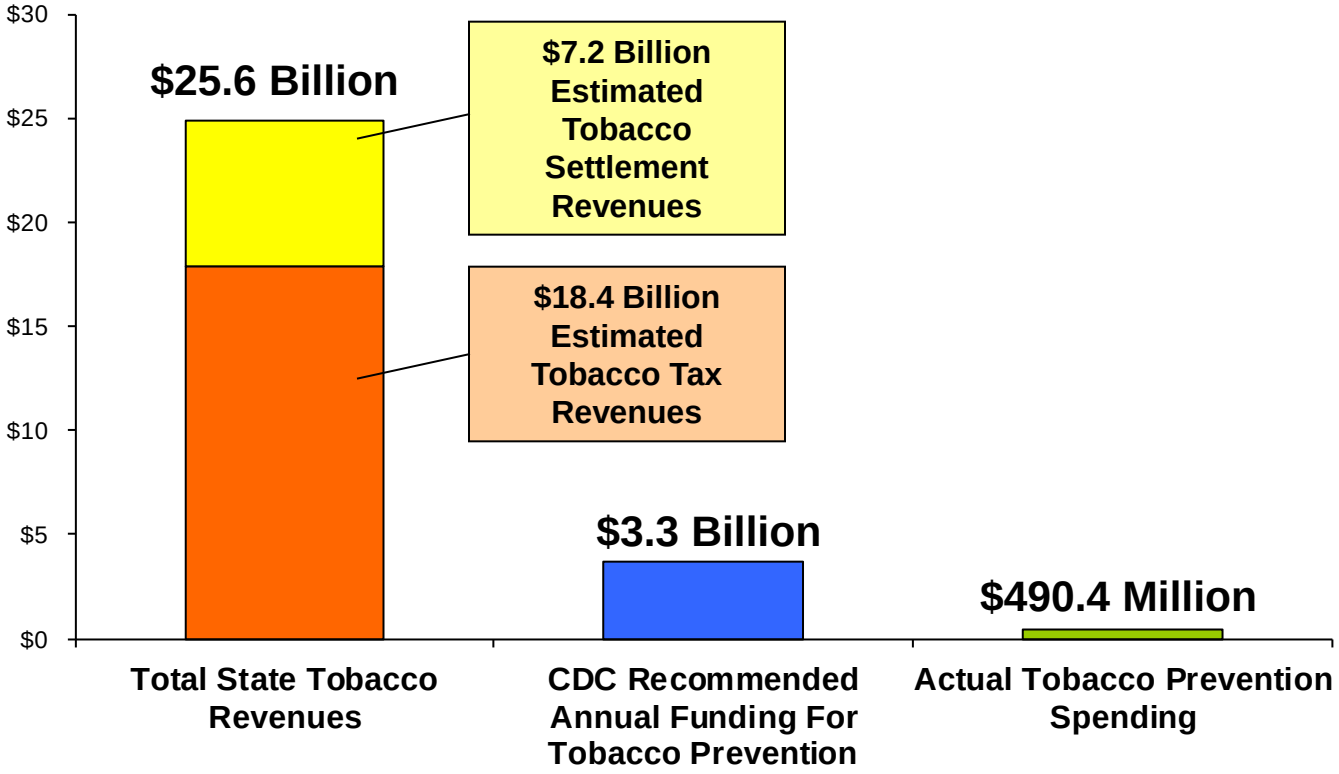
Notes and Sources. Current youth smoking rates are from most recent Youth Tobacco Survey (YTS), Youth Risk Behavioral Surveillance (YRBS) or specific state youth smoking survey. Youth prevented from becoming adult smokers is calculated by applying the percent change between the state's current rate and the target 7.5% rate to the estimate of youth projected to become adult smokers (which is based on adjusted CDC Behavioral Risk Factor Surveillance System (BRFSS) prevalence data for 18-25 year olds and U.S. census data for the population under 18 years old). Estimates of kids' lives saved is calculated using CDC methodology presented in CDC, "Projected Smoking-Related Deaths Among Youth—United States," *MMWR* 45(44):971-974, November 11, 1996. Future health care savings from smoking reductions accrue over the lifetimes of those persons who quit or do not start. The lifetime health care costs of smokers total at least $17,500 more than nonsmokers, on average, despite the fact that smokers do not live as long. See Hodgson, TA, "Cigarette Smoking and Lifetime Medical Expenditures," *Milbank Quarterly* 70(1), 1992; Campaign for Tobacco-Free Kids factsheet, *Lifetime Healthcare Costs: Smokers v. Non-Smokers v. Former Smokers;* Warner, KE, et al., "Medical Costs of Smoking in the United States: Estimates, Their Validity, and Their Implications," *Tobacco Control* 8(3):290-300, Autumn 1999.

Total Annual State Tobacco Prevention Spending FY1999 - FY2015

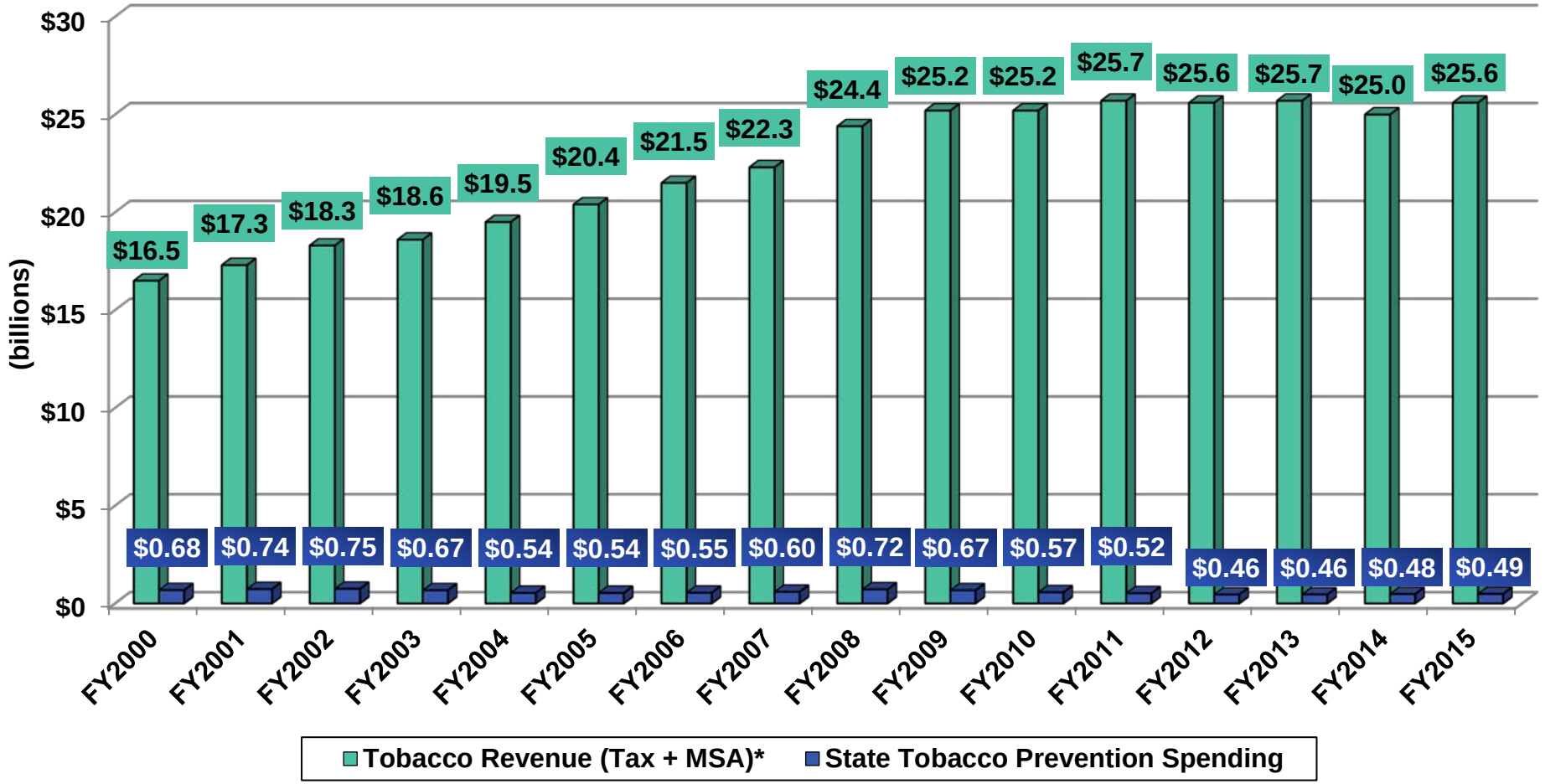


Only 3 states – AZ, CA and MA - spent any money on tobacco prevention prior to 1999. Settlement payments to states began in 1999. All states were receiving payments by 2001. Funding amounts only include state funds.

Total FY2015
State Tobacco Prevention Spending vs. State Tobacco Revenue and CDC Recommendations

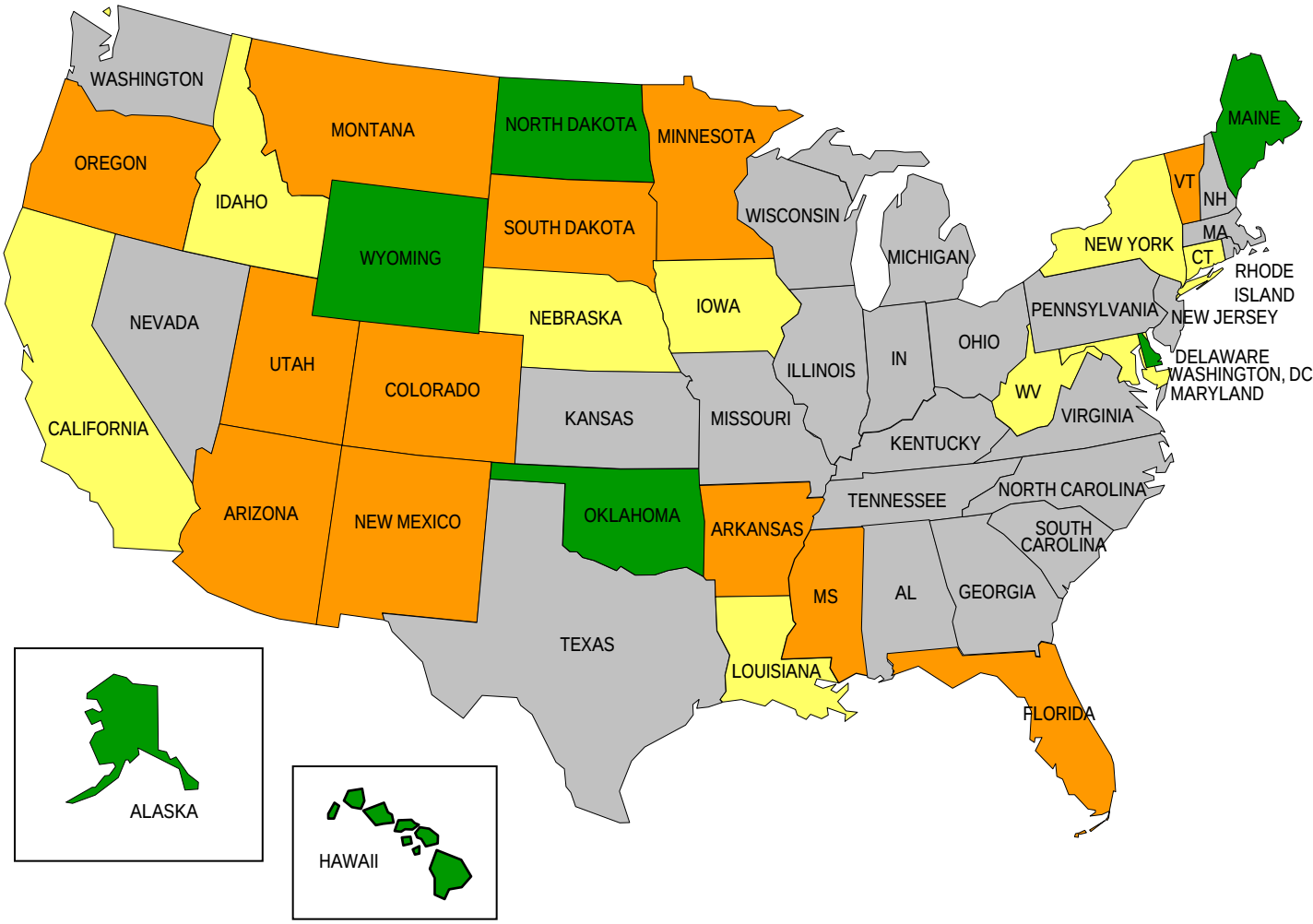


Total Annual State Tobacco Prevention Spending vs. State Tobacco Revenue, FY2000 - FY2015



*Tax and MSA revenue totals based on TFK estimates

FY2015
State Tobacco Prevention Spending as a Percent of CDC Recommendations



States that are spending 50% or more of CDC recommendation on tobacco prevention programs.

States that are spending 25% - 49% of CDC recommendation on tobacco prevention programs.

States that are spending 10% - 24% of CDC recommendation on tobacco prevention programs.

States that are spending less than 10% of CDC recommendation on tobacco prevention programs.

FY2015 STATE TOBACCO PREVENTION SPENDING AS A PERCENT OF CDC RECOMMENDATIONS

States that are spending 50% or more of CDC recommendation on tobacco prevention programs. (7)

- Alaska
- Delaware
- Hawaii
- Maine
- North Dakota
- Oklahoma
- Wyoming

States that are spending 25%- 49% of CDC recommendation on tobacco prevention programs. (12)

- Arizona
- Arkansas
- Colorado
- Florida
- Minnesota
- Mississippi
- Montana
- New Mexico
- Oregon
- South Dakota
- Utah
- Vermont

States that are spending 10%- 24% of CDC recommendation on tobacco prevention programs. (9 and the District of Columbia)

- California
- Connecticut
- District of Columbia
- Idaho
- Iowa
- Louisiana
- Maryland
- Nebraska
- New York
- West Virginia

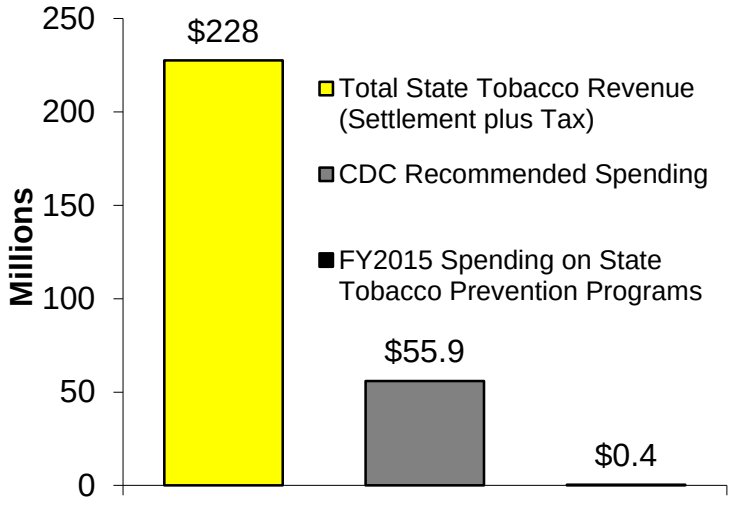
States that are spending less than 10% of CDC recommendation on tobacco prevention programs. (22)

- Alabama
- Georgia
- Illinois
- Indiana
- Kansas
- Kentucky
- Massachusetts
- Michigan
- Missouri
- Nevada
- New Hampshire
- New Jersey
- North Carolina
- Ohio
- Pennsylvania
- Rhode Island
- South Carolina
- Tennessee
- Texas
- Virginia
- Washington
- Wisconsin

Alabama

	FY2015	FY2014*
State Ranking	49	--
STATE SPENDING ON TOBACCO PREVENTION	$362,000	$275,000
% of CDC Recommended Spending ($55.9 million)	0.6%	0.5%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



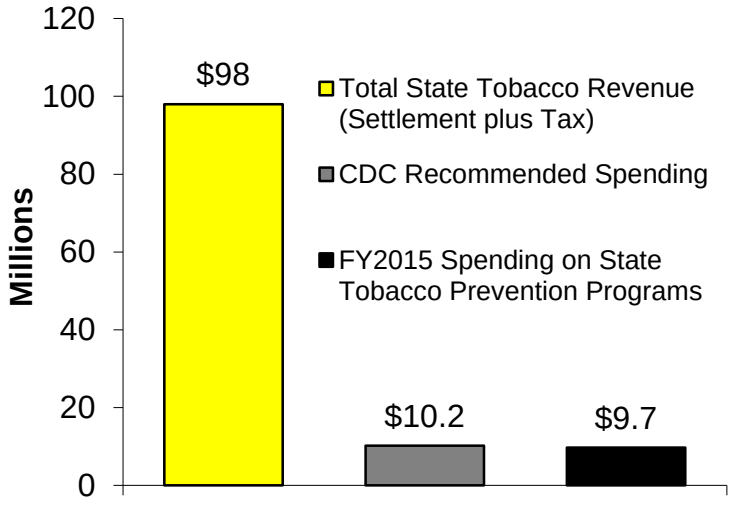
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Alabama	
Adults who smoke	21.5%
High school students who smoke	18.0%
Deaths caused by smoking each year	8,600
Annual health care costs directly caused by smoking	$1.88 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$536 per household
Estimated annual tobacco company marketing in state	$196.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	543.9 to 1

Alaska

	FY2015	FY2014*
State Ranking	2	--
STATE SPENDING ON TOBACCO PREVENTION	$9.7 million	$10.1 million
% of CDC Recommended Spending ($10.2 million)	95.6%	99.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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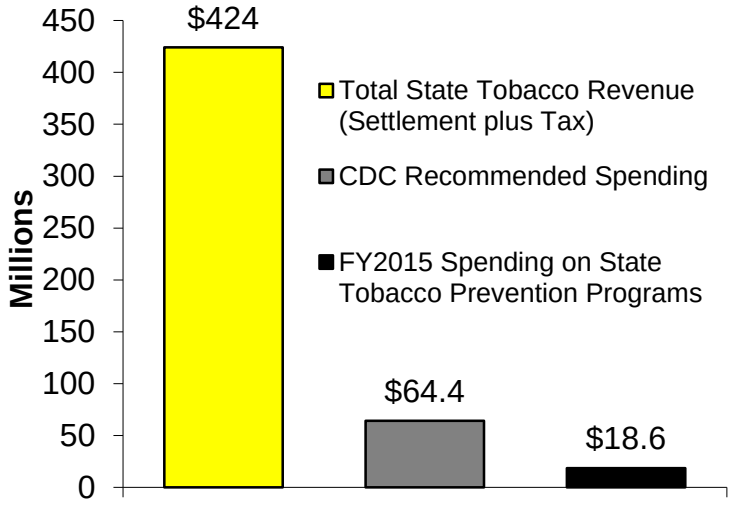
Tobacco's Toll in Alaska	
Adults who smoke	22.6%
High school students who smoke	10.6%
Deaths caused by smoking each year	600
Annual health care costs directly caused by smoking	$438 million
Residents' state & federal tax burden from smoking-caused government expenditures	$674 per household
Estimated annual tobacco company marketing in state	$18.5 million
Ratio of tobacco company marketing to total spending on tobacco prevention	1.9 to 1

Arizona

	FY2015	FY2014*
State Ranking	17	--
STATE SPENDING ON TOBACCO PREVENTION	$18.6 million	$18.6 million
% of CDC Recommended Spending ($64.4 million)	28.9%	28.9%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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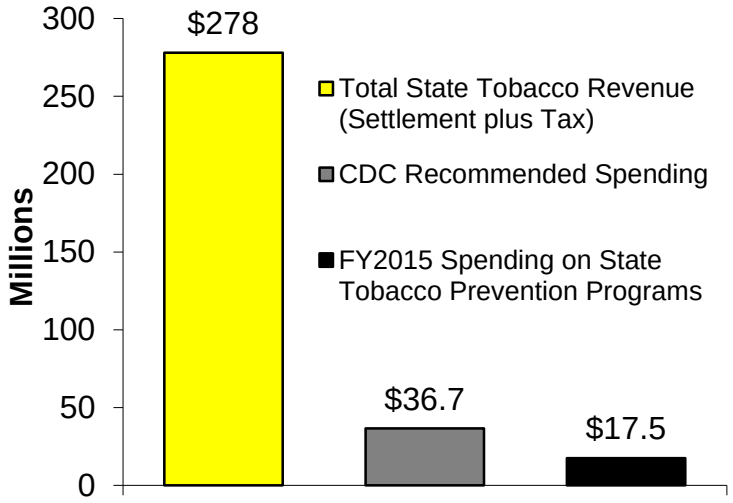
Tobacco's Toll in Arizona	
Adults who smoke	16.3%
High school students who smoke	14.1%
Deaths caused by smoking each year	8,300
Annual health care costs directly caused by smoking	$2.38 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$537 per household
Estimated annual tobacco company marketing in state	$104.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.6 to 1

Arkansas

	FY2015	FY2014*
State Ranking	8	--
STATE SPENDING ON TOBACCO PREVENTION	$17.5 million	$17.5 million
% of CDC Recommended Spending ($36.7 million)	47.6%	47.6%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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Tobacco's Toll in Arkansas	
Adults who smoke	25.9%
High school students who smoke	19.1%
Deaths caused by smoking each year	5,800
Annual health care costs directly caused by smoking	$1.21 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$560 per household
Estimated annual tobacco company marketing in state	$107.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	6.1 to 1

California

	FY2015	FY2014*
State Ranking	26	--
STATE SPENDING ON TOBACCO PREVENTION	$58.9 million	$64.8 million
% of CDC Recommended Spending ($347.9 million)	16.9%	18.6%

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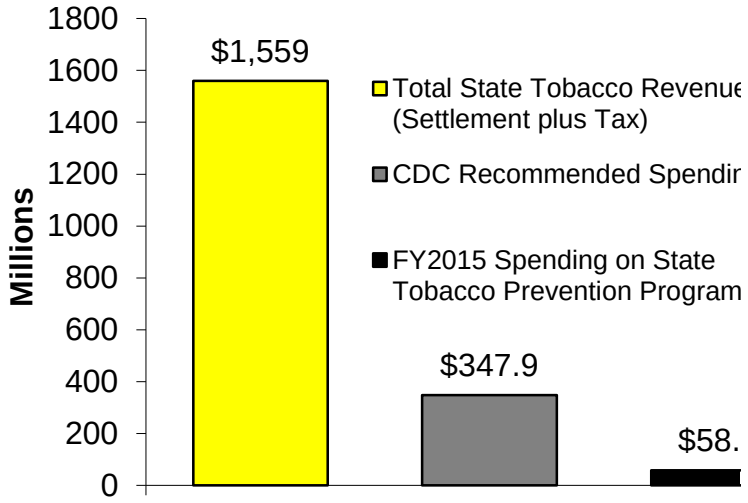

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Tobacco's Toll in California	
Adults who smoke	12.5%
High school students who smoke	10.5%
Deaths caused by smoking each year	40,000
Annual health care costs directly caused by smoking	$13.29 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$612 per household
Estimated annual tobacco company marketing in state	$583.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	9.9 to 1

Colorado

	FY2015	FY2014*
State Ranking	10	--
STATE SPENDING ON TOBACCO PREVENTION	$23.1 million	$26.0 million
% of CDC Recommended Spending ($52.9 million)	43.7%	49.1%

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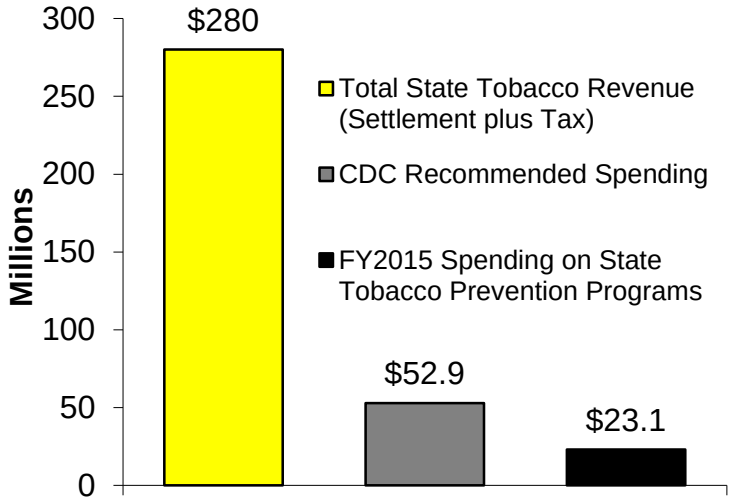

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Tobacco's Toll in Colorado	
Adults who smoke	17.7%
High school students who smoke	10.7%
Deaths caused by smoking each year	5,100
Annual health care costs directly caused by smoking	$1.89 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$572 per household
Estimated annual tobacco company marketing in state	$123.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.3 to 1

Connecticut

	FY2015	FY2014*
State Ranking	29	--
STATE SPENDING ON TOBACCO PREVENTION	$3.5 million	$3.0 million
% of CDC Recommended Spending ($32.0 million)	11.0%	9.4%

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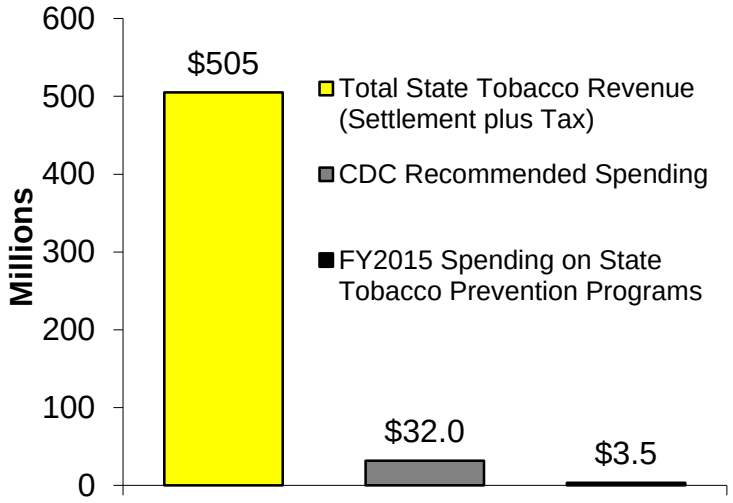

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Tobacco's Toll in Connecticut	
Adults who smoke	15.5%
High school students who smoke	13.5%
Deaths caused by smoking each year	4,900
Annual health care costs directly caused by smoking	$2.03 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$670 per household
Estimated annual tobacco company marketing in state	$78.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	22.2 to 1

Delaware

	FY2015	FY2014*
State Ranking	3	--
STATE SPENDING ON TOBACCO PREVENTION	$8.7 million	$8.3 million
% of CDC Recommended Spending ($13.0 million)	66.7%	64.0%

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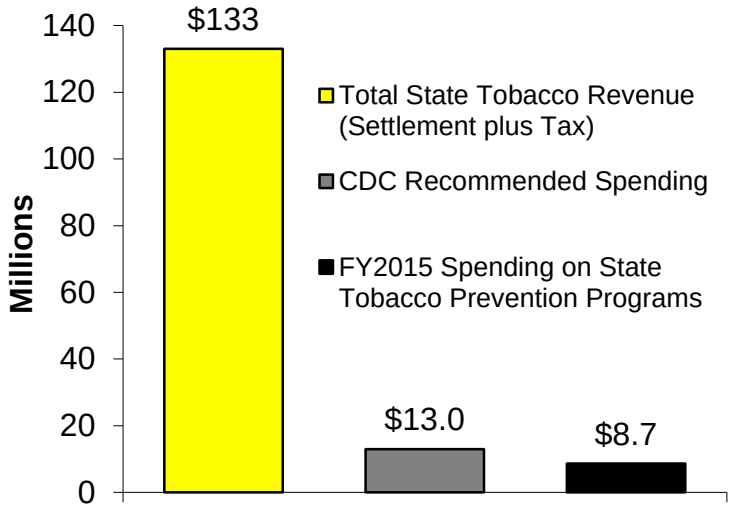

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Tobacco's Toll in Delaware	
Adults who smoke	19.6%
High school students who smoke	14.2%
Deaths caused by smoking each year	1,400
Annual health care costs directly caused by smoking	$532 million
Residents' state & federal tax burden from smoking-caused government expenditures	$615 per household
Estimated annual tobacco company marketing in state	$47.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.5 to 1

District of Columbia

	FY2015	FY2014*
State Ranking	21	--
STATE SPENDING ON TOBACCO PREVENTION	$2.0 million	$495,000
% of CDC Recommended Spending ($10.7 million)	18.7%	4.6%

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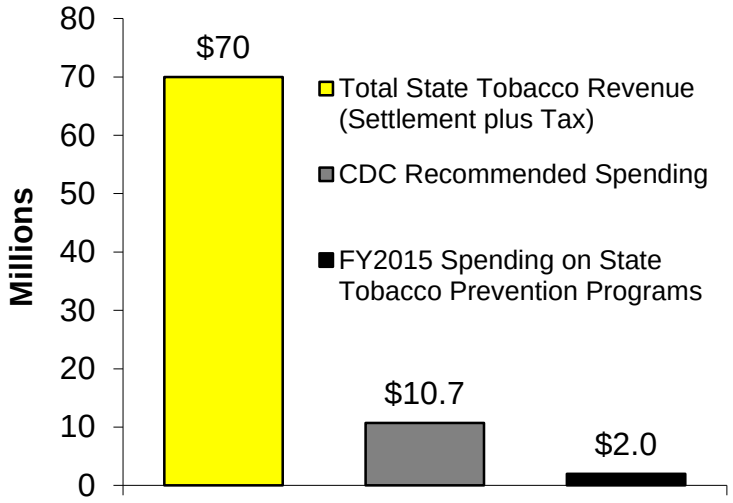

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Tobacco's Toll in District of Columbia	
Adults who smoke	18.8%
High school students who smoke	12.5%
Deaths caused by smoking each year	800
Annual health care costs directly caused by smoking	$391 million
Residents' state & federal tax burden from smoking-caused government expenditures	$593 per household
Estimated annual tobacco company marketing in state	$8.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	4.4 to 1

Florida

	FY2015	FY2014*
State Ranking	15	--
STATE SPENDING ON TOBACCO PREVENTION	$66.6 million	$65.6 million
% of CDC Recommended Spending ($194.2 million)	34.3%	33.8%

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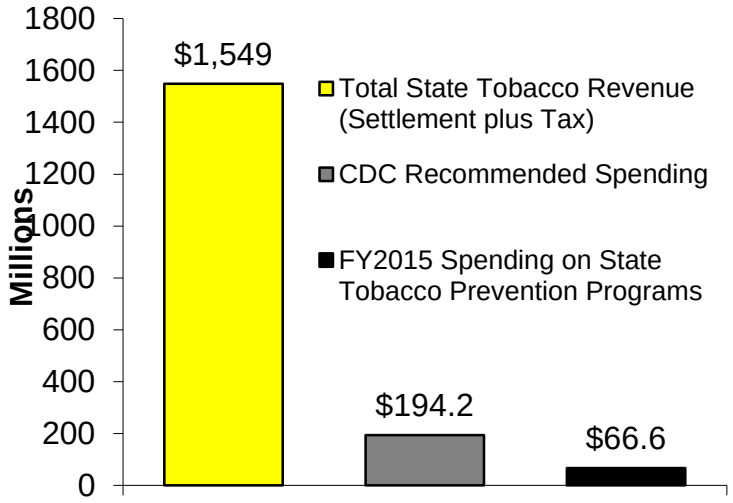

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Tobacco's Toll in Florida	
Adults who smoke	16.8%
High school students who smoke	7.5%
Deaths caused by smoking each year	32,300
Annual health care costs directly caused by smoking	$8.64 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$571 per household
Estimated annual tobacco company marketing in state	$562.6 million
Ratio of tobacco company marketing to total spending on tobacco prevention	8.4 to 1

Georgia

	FY2015	FY2014*
State Ranking	45	--
STATE SPENDING ON TOBACCO PREVENTION	$1.8 million	$2.2 million
% of CDC Recommended Spending ($106.0 million)	1.7%	2.1%

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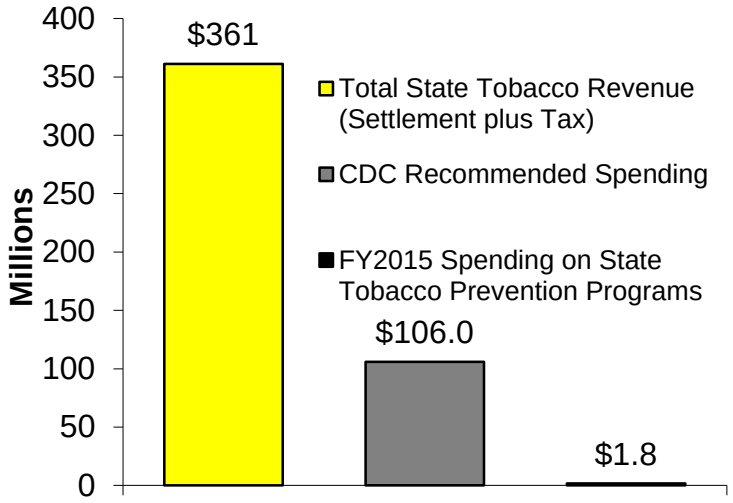

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Tobacco's Toll in Georgia	
Adults who smoke	18.8%
High school students who smoke	12.8%
Deaths caused by smoking each year	11,700
Annual health care costs directly caused by smoking	$3.18 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$542 per household
Estimated annual tobacco company marketing in state	$316.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	181.1 to 1

Hawaii

	FY2015	FY2014*
State Ranking	5	--
STATE SPENDING ON TOBACCO PREVENTION	$7.5 million	$7.9 million
% of CDC Recommended Spending ($13.7 million)	55.0%	57.3%

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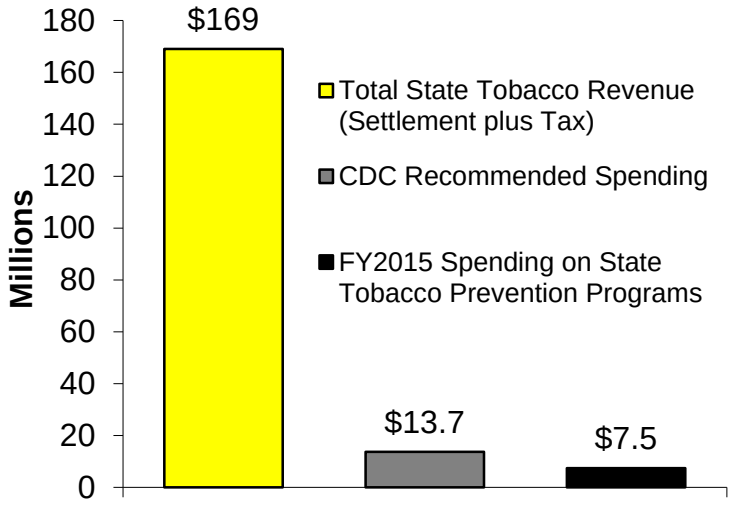

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Tobacco's Toll in Hawaii	
Adults who smoke	13.3%
High school students who smoke	10.4%
Deaths caused by smoking each year	1,400
Annual health care costs directly caused by smoking	$526 million
Residents' state & federal tax burden from smoking-caused government expenditures	$624 per household
Estimated annual tobacco company marketing in state	$26.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	3.6 to 1

Idaho

	FY2015	FY2014*
State Ranking	25	--
STATE SPENDING ON TOBACCO PREVENTION	$2.7 million	$2.2 million
% of CDC Recommended Spending ($15.6 million)	17.1%	14.1%

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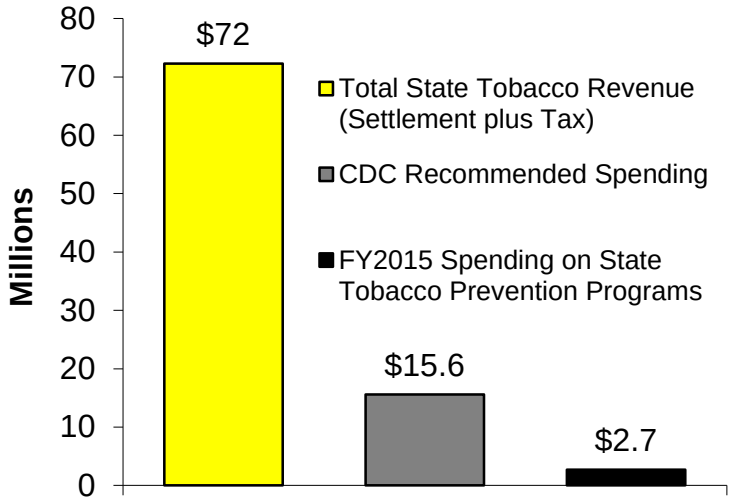

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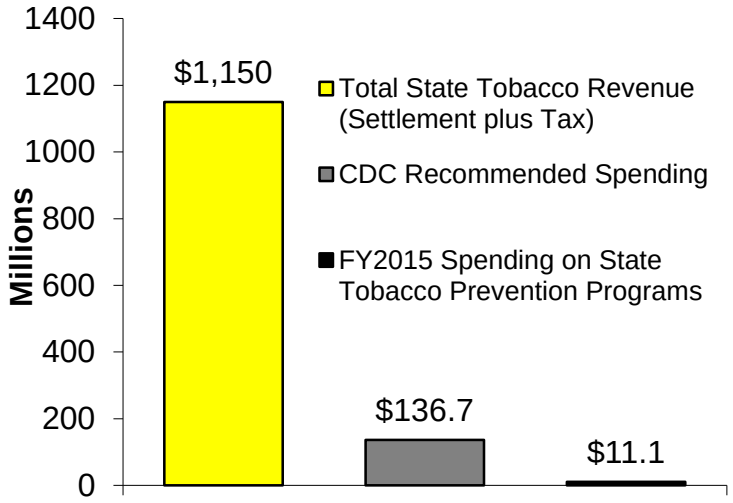
Tobacco's Toll in Idaho	
Adults who smoke	17.2%
High school students who smoke	12.2%
Deaths caused by smoking each year	1,800
Annual health care costs directly caused by smoking	$508 million
Residents' state & federal tax burden from smoking-caused government expenditures	$530 per household
Estimated annual tobacco company marketing in state	$42.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	16.1 to 1

Illinois

	FY2015	FY2014*
State Ranking	34	--
STATE SPENDING ON TOBACCO PREVENTION	$11.1 million	$11.1 million
% of CDC Recommended Spending ($136.7 million)	8.1%	8.1%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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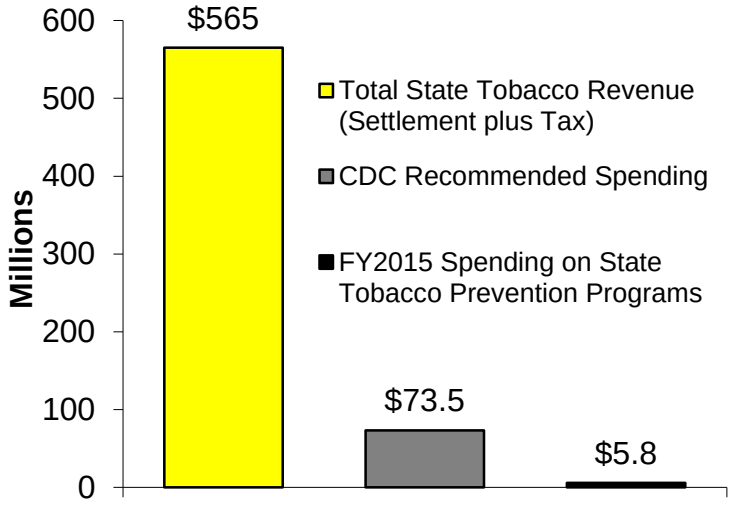
Tobacco's Toll in Illinois	
Adults who smoke	18.0%
High school students who smoke	14.1%
Deaths caused by smoking each year	18,300
Annual health care costs directly caused by smoking	$5.49 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$662 per household
Estimated annual tobacco company marketing in state	$350.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	31.6 to 1

Indiana

	FY2015	FY2014*
State Ranking	35	--
STATE SPENDING ON TOBACCO PREVENTION	$5.8 million	$5.8 million
% of CDC Recommended Spending ($73.5 million)	7.8%	7.8%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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Tobacco's Toll in Indiana	
Adults who smoke	21.9%
High school students who smoke	13.7%
Deaths caused by smoking each year	11,100
Annual health care costs directly caused by smoking	$2.93 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$563 per household
Estimated annual tobacco company marketing in state	$271.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	47.2 to 1

Iowa

	FY2015	FY2014*
State Ranking	24	--
STATE SPENDING ON TOBACCO PREVENTION	$5.2 million	$5.1 million
% of CDC Recommended Spending ($30.1 million)	17.4%	17.1%

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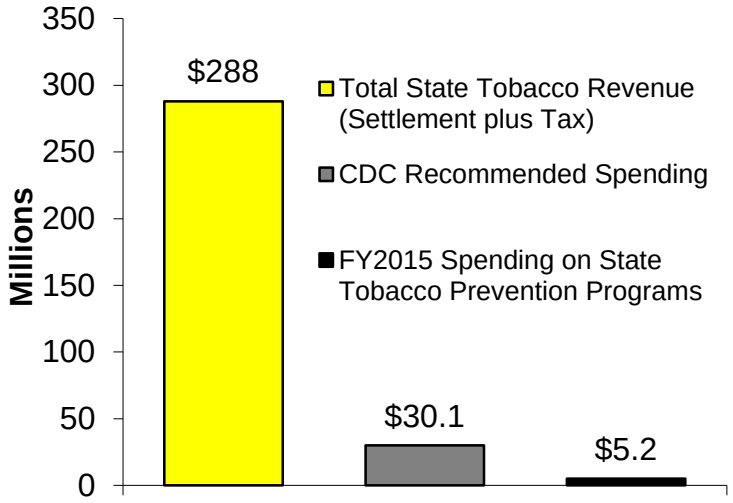

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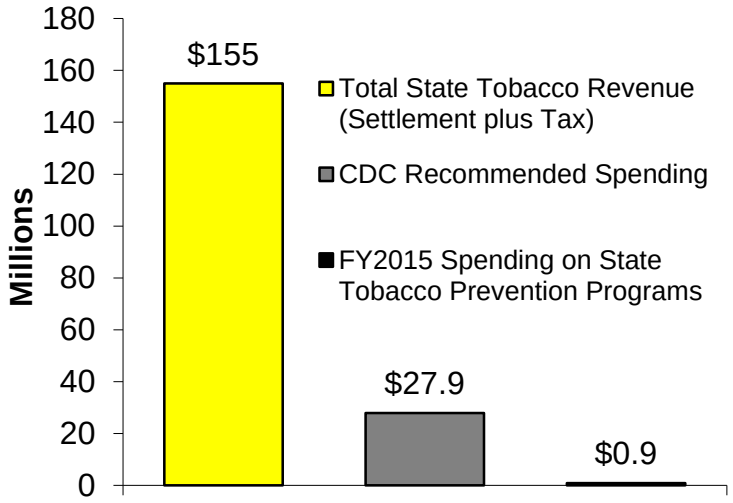
Tobacco's Toll in Iowa	
Adults who smoke	19.5%
High school students who smoke	18.1%
Deaths caused by smoking each year	5,100
Annual health care costs directly caused by smoking	$1.28 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$597 per household
Estimated annual tobacco company marketing in state	$90.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	17.2 to 1

Kansas

	FY2015	FY2014*
State Ranking	41	--
STATE SPENDING ON TOBACCO PREVENTION	$946,671	$946,671
% of CDC Recommended Spending ($27.9 million)	3.4%	3.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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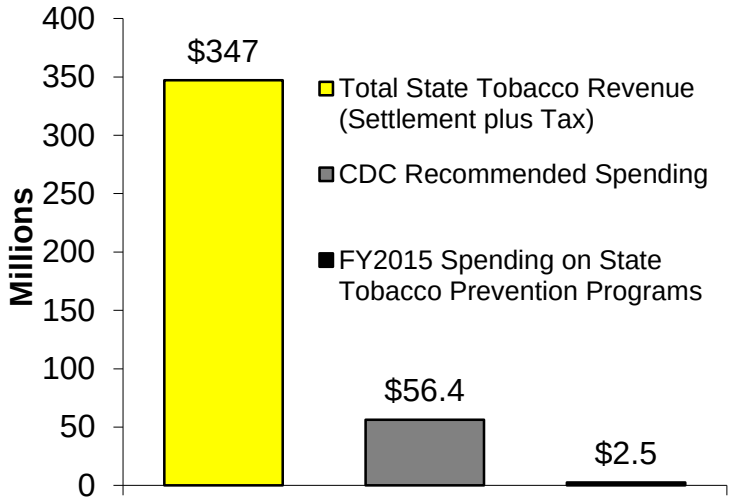
Tobacco's Toll in Kansas	
Adults who smoke	20.0%
High school students who smoke	10.2%
Deaths caused by smoking each year	4,400
Annual health care costs directly caused by smoking	$1.12 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$570 per household
Estimated annual tobacco company marketing in state	$70.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	74.7 to 1

Kentucky

	FY2015	FY2014*
State Ranking	39	--
STATE SPENDING ON TOBACCO PREVENTION	$2.5 million	$2.1 million
% of CDC Recommended Spending ($56.4 million)	4.4%	3.7%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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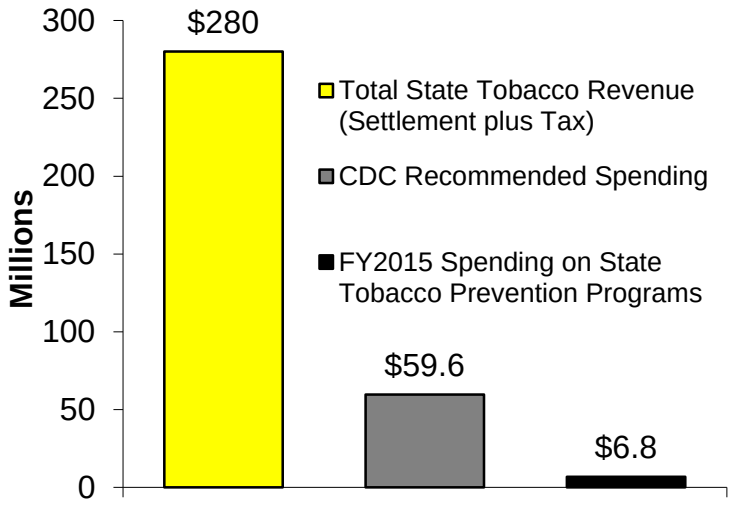
Tobacco's Toll in Kentucky	
Adults who smoke	26.5%
High school students who smoke	17.9%
Deaths caused by smoking each year	8,900
Annual health care costs directly caused by smoking	$1.92 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$584 per household
Estimated annual tobacco company marketing in state	$271.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	109.0 to 1

Louisiana

	FY2015	FY2014*
State Ranking	27	--
STATE SPENDING ON TOBACCO PREVENTION	$6.8 million	$8.0 million
% of CDC Recommended Spending ($59.6 million)	11.4%	13.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



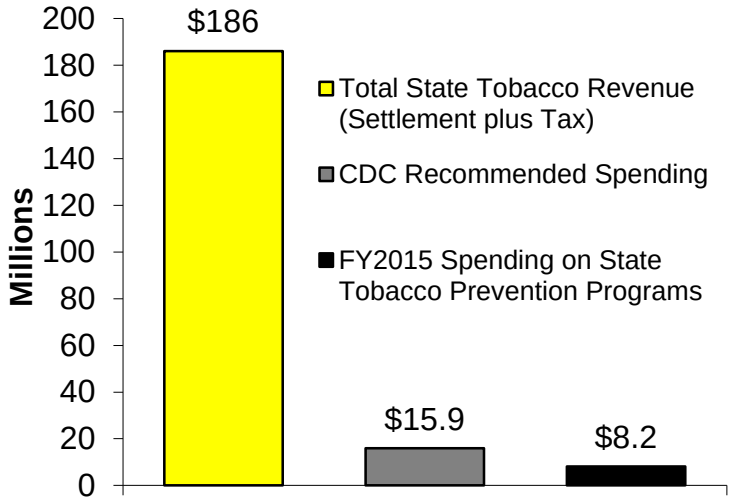
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Louisiana	
Adults who smoke	23.5%
High school students who smoke	12.1%
Deaths caused by smoking each year	7,200
Annual health care costs directly caused by smoking	$1.89 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$646 per household
Estimated annual tobacco company marketing in state	$215.2 million
Ratio of tobacco company marketing to total spending on tobacco prevention	31.6 to 1

Maine

	FY2015	FY2014*
State Ranking	7	--
STATE SPENDING ON TOBACCO PREVENTION	$8.2 million	$8.1 million
% of CDC Recommended Spending ($15.9 million)	51.4%	50.7%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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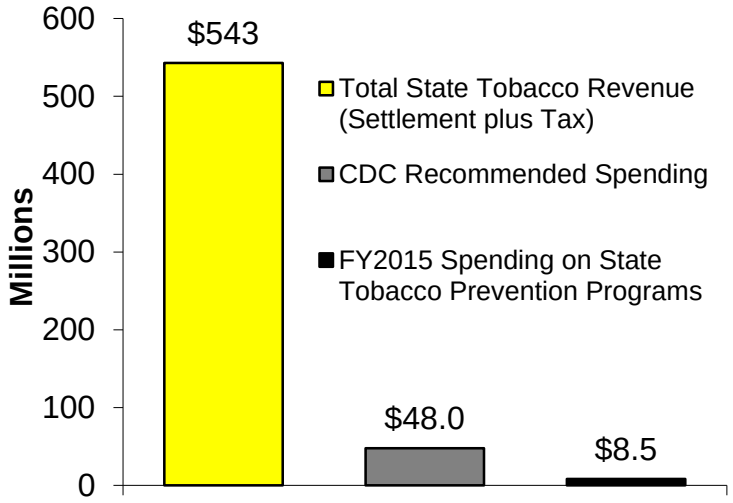
Tobacco's Toll in Maine	
Adults who smoke	20.2%
High school students who smoke	12.8%
Deaths caused by smoking each year	2,400
Annual health care costs directly caused by smoking	$811 million
Residents' state & federal tax burden from smoking-caused government expenditures	$660 per household
Estimated annual tobacco company marketing in state	$40.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.0 to 1

Maryland

	FY2015	FY2014*
State Ranking	23	--
STATE SPENDING ON TOBACCO PREVENTION	$8.5 million	$8.5 million
% of CDC Recommended Spending ($48.0 million)	17.7%	17.8%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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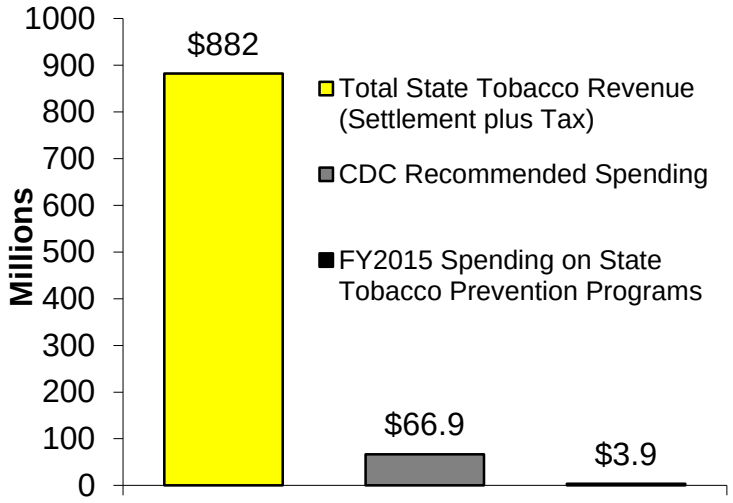
Tobacco's Toll in Maryland	
Adults who smoke	16.4%
High school students who smoke	11.9%
Deaths caused by smoking each year	7,500
Annual health care costs directly caused by smoking	$2.71 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$611 per household
Estimated annual tobacco company marketing in state	$120.2 million
Ratio of tobacco company marketing to total spending on tobacco prevention	14.1 to 1

Massachusetts

	FY2015	FY2014*
State Ranking	37	--
STATE SPENDING ON TOBACCO PREVENTION	$3.9 million	$4.0 million
% of CDC Recommended Spending ($66.9 million)	5.8%	5.9%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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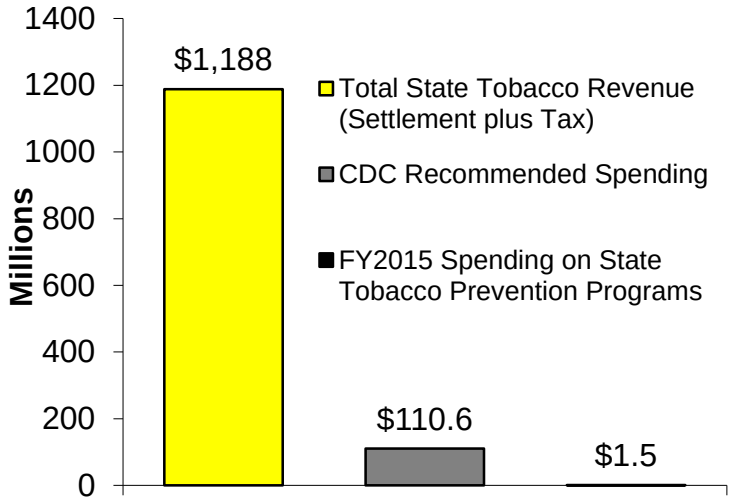
Tobacco's Toll in Massachusetts	
Adults who smoke	16.6%
High school students who smoke	10.7%
Deaths caused by smoking each year	9,300
Annual health care costs directly caused by smoking	$4.08 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$718 per household
Estimated annual tobacco company marketing in state	$134.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	34.8 to 1

Michigan

	FY2015	FY2014*
State Ranking	46	--
STATE SPENDING ON TOBACCO PREVENTION	$1.5 million	$1.5 million
% of CDC Recommended Spending ($110.6 million)	1.4%	1.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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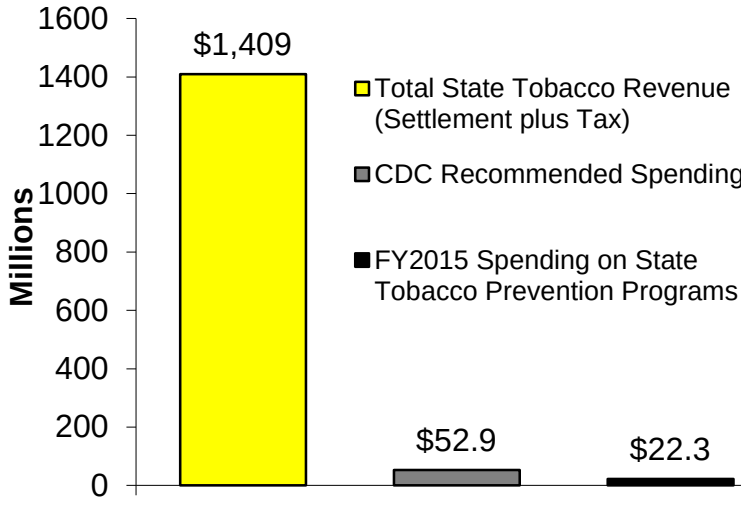
Tobacco's Toll in Michigan	
Adults who smoke	21.4%
High school students who smoke	11.8%
Deaths caused by smoking each year	16,200
Annual health care costs directly caused by smoking	$4.59 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$599 per household
Estimated annual tobacco company marketing in state	$276.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	184.1 to 1

Minnesota

	FY2015	FY2014*
State Ranking	11	--
STATE SPENDING ON TOBACCO PREVENTION	$22.3 million	$21.3 million
% of CDC Recommended Spending ($52.9 million)	42.2%	40.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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Tobacco's Toll in Minnesota	
Adults who smoke	18.0%
High school students who smoke	10.6%
Deaths caused by smoking each year	5,900
Annual health care costs directly caused by smoking	$2.51 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$609 per household
Estimated annual tobacco company marketing in state	$164.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	7.4 to 1

Mississippi

	FY2015	FY2014*
State Ranking	16	--
STATE SPENDING ON TOBACCO PREVENTION	$10.9 million	$10.9 million
% of CDC Recommended Spending ($36.5 million)	29.9%	29.9%

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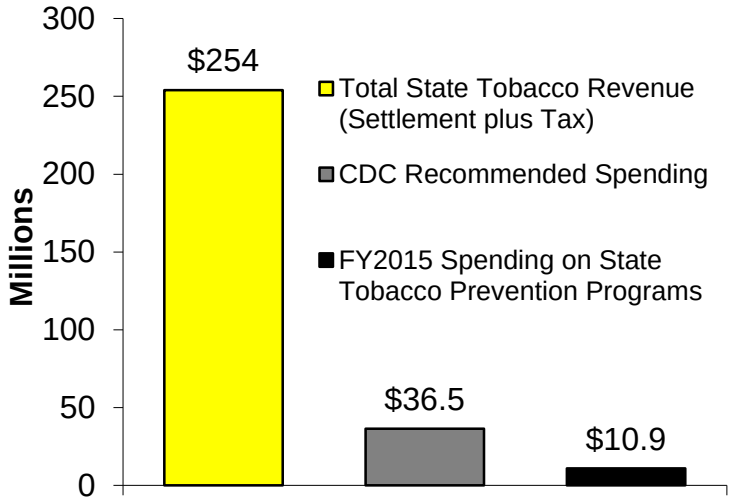

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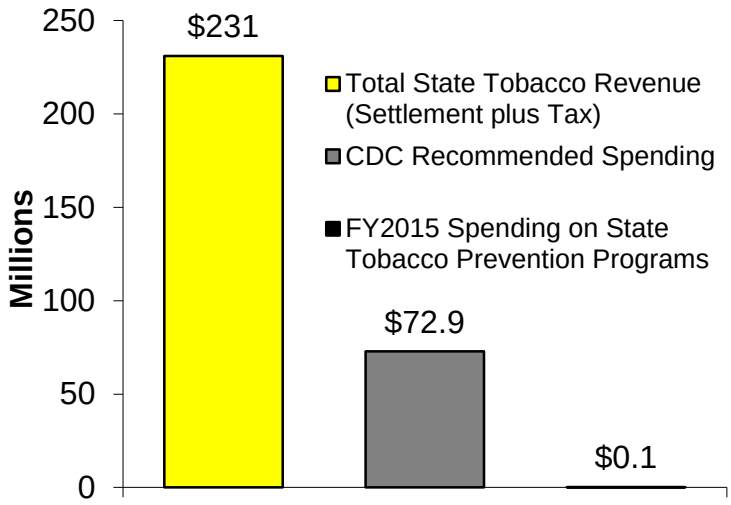
Tobacco's Toll in Mississippi	
Adults who smoke	24.8%
High school students who smoke	17.2%
Deaths caused by smoking each year	5,400
Annual health care costs directly caused by smoking	$1.23 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$563 per household
Estimated annual tobacco company marketing in state	$121.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	11.1 to 1

Missouri

	FY2015	FY2014*
State Ranking	50	--
STATE SPENDING ON TOBACCO PREVENTION	$70,788	$76,364
% of CDC Recommended Spending ($72.9 million)	0.1%	0.1%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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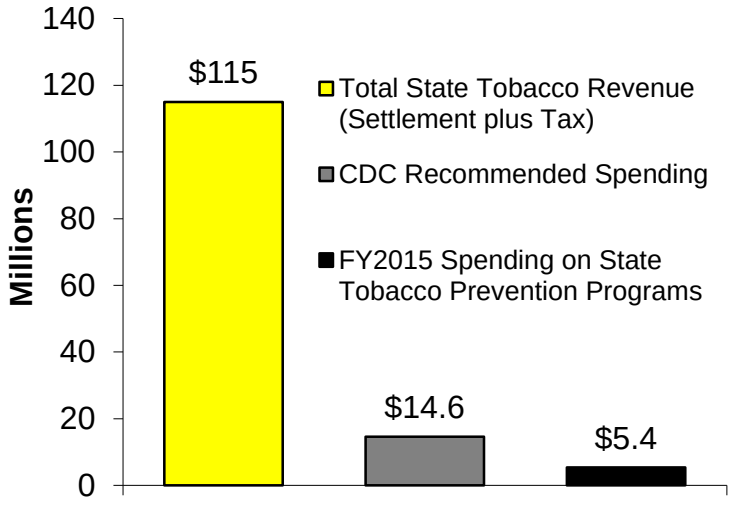
Tobacco's Toll in Missouri	
Adults who smoke	22.1%
High school students who smoke	14.9%
Deaths caused by smoking each year	11,000
Annual health care costs directly caused by smoking	$3.03 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$588 per household
Estimated annual tobacco company marketing in state	$328.6 million
Ratio of tobacco company marketing to total spending on tobacco prevention	4,642.6 to 1

Montana

	FY2015	FY2014*
State Ranking	14	--
STATE SPENDING ON TOBACCO PREVENTION	$5.4 million	$5.4 million
% of CDC Recommended Spending ($14.6 million)	37.0%	37.0%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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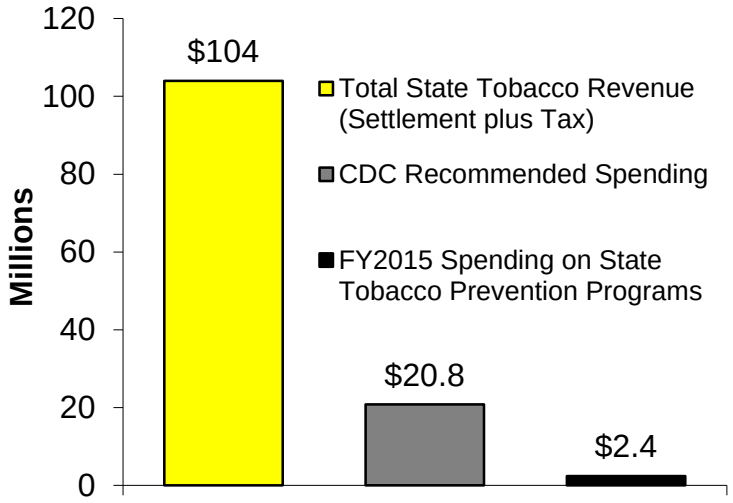
Tobacco's Toll in Montana	
Adults who smoke	19.0%
High school students who smoke	15.2%
Deaths caused by smoking each year	1,600
Annual health care costs directly caused by smoking	$440 million
Residents' state & federal tax burden from smoking-caused government expenditures	$552 per household
Estimated annual tobacco company marketing in state	$27.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.0 to 1

Nebraska

	FY2015	FY2014*
State Ranking	27	--
STATE SPENDING ON TOBACCO PREVENTION	$2.4 million	$2.4 million
% of CDC Recommended Spending ($20.8 million)	11.4%	11.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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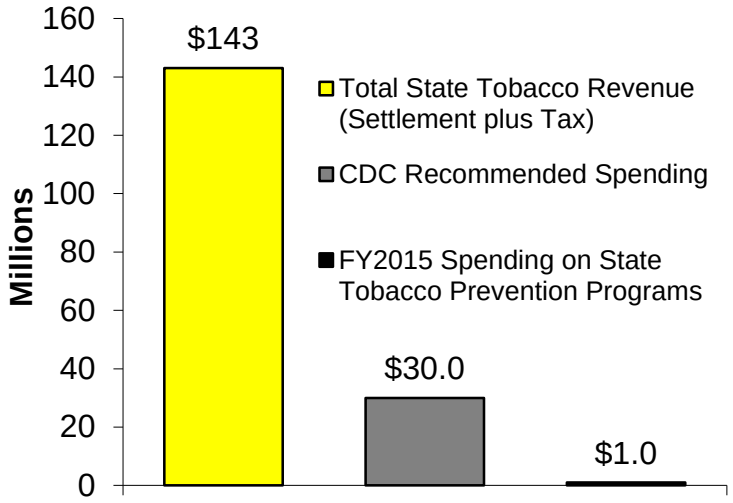
Tobacco's Toll in Nebraska	
Adults who smoke	18.5%
High school students who smoke	10.9%
Deaths caused by smoking each year	2,500
Annual health care costs directly caused by smoking	$795 million
Residents' state & federal tax burden from smoking-caused government expenditures	$579 per household
Estimated annual tobacco company marketing in state	$58.8 million
Ratio of tobacco company marketing to total spending on tobacco prevention	24.7 to 1

Nevada

	FY2015	FY2014*
State Ranking	42	--
STATE SPENDING ON TOBACCO PREVENTION	$1.0 million	$1.0 million
% of CDC Recommended Spending ($30.0 million)	3.3%	3.3%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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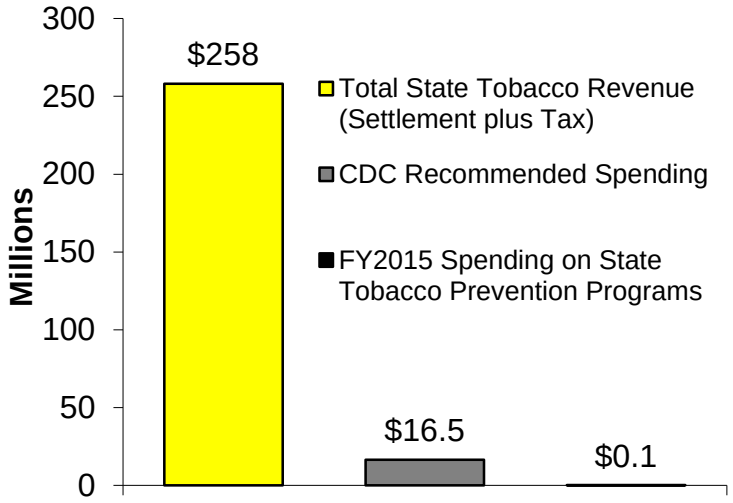
Tobacco's Toll in Nevada	
Adults who smoke	19.4%
High school students who smoke	10.3%
Deaths caused by smoking each year	4,100
Annual health care costs directly caused by smoking	$1.08 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$541 per household
Estimated annual tobacco company marketing in state	$74.3 million
Ratio of tobacco company marketing to total spending on tobacco prevention	74.3 to 1

New Hampshire

	FY2015	FY2014*
State Ranking	48	--
STATE SPENDING ON TOBACCO PREVENTION	$125,000	$125,000
% of CDC Recommended Spending ($16.5 million)	0.8%	0.8%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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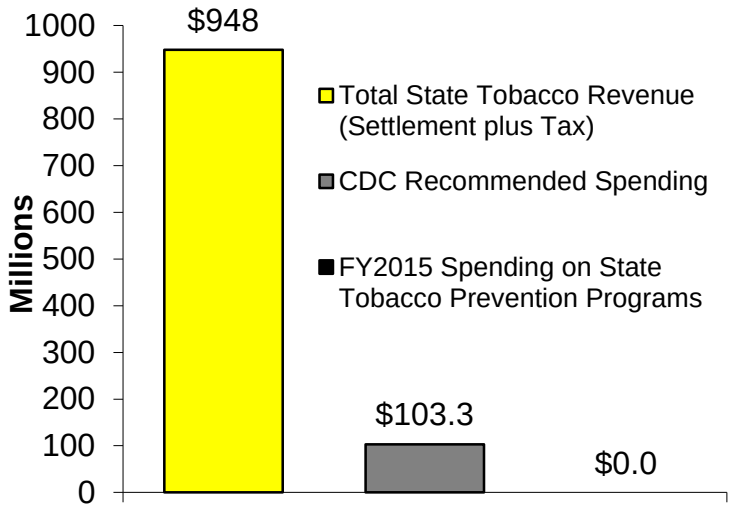
Tobacco's Toll in New Hampshire	
Adults who smoke	16.2%
High school students who smoke	13.8%
Deaths caused by smoking each year	1,900
Annual health care costs directly caused by smoking	$729 million
Residents' state & federal tax burden from smoking-caused government expenditures	$617 per household
Estimated annual tobacco company marketing in state	$73.6 million
Ratio of tobacco company marketing to total spending on tobacco prevention	588.8 to 1

New Jersey

	FY2015	FY2014*
State Ranking	51	--
STATE SPENDING ON TOBACCO PREVENTION	$0.0[§]	$0.0
% of CDC Recommended Spending ($103.3 million)	0.0%	0.0%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.
§ New Jersey's FY2015 annual spending is estimated, not confirmed by state health department.



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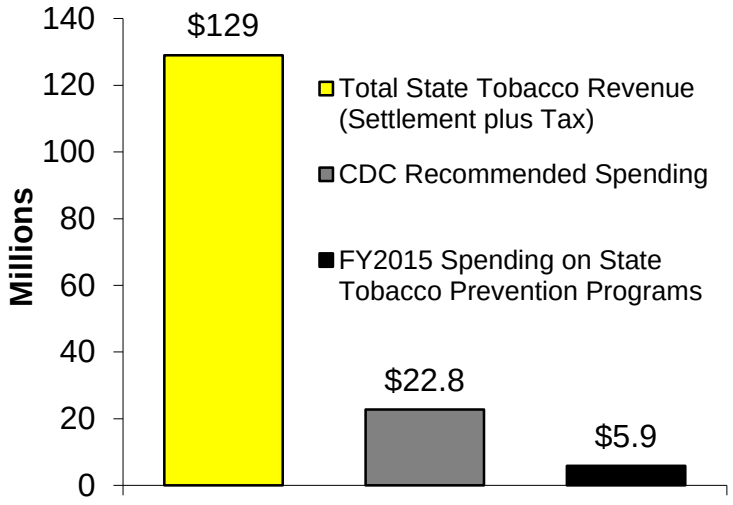
Tobacco's Toll in New Jersey	
Adults who smoke	15.7%
High school students who smoke	12.9%
Deaths caused by smoking each year	11,800
Annual health care costs directly caused by smoking	$4.06 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$654 per household
Estimated annual tobacco company marketing in state	$172.0 million
Ratio of tobacco company marketing to total spending on tobacco prevention	NA

New Mexico

	FY2015	FY2014*
State Ranking	18	--
STATE SPENDING ON TOBACCO PREVENTION	$5.9 million	$5.9 million
% of CDC Recommended Spending ($22.8 million)	26.0%	26.0%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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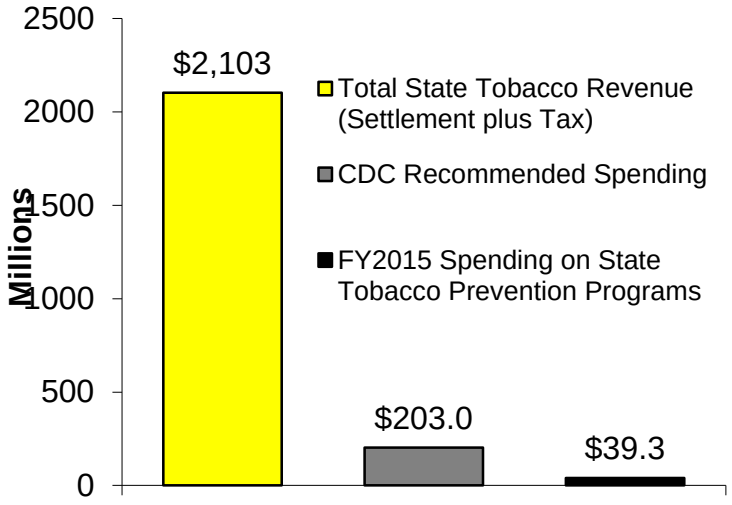
Tobacco's Toll in New Mexico	
Adults who smoke	19.1%
High school students who smoke	14.4%
Deaths caused by smoking each year	2,600
Annual health care costs directly caused by smoking	$844 million
Residents' state & federal tax burden from smoking-caused government expenditures	$572 per household
Estimated annual tobacco company marketing in state	$33.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.7 to 1

New York

	FY2015	FY2014*
State Ranking	20	--
STATE SPENDING ON TOBACCO PREVENTION	$39.3 million	$39.3 million
% of CDC Recommended Spending ($203.0 million)	19.4%	19.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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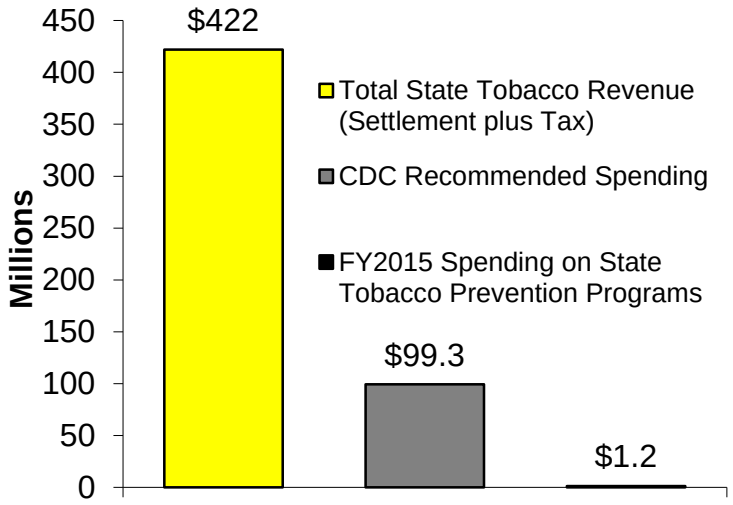
Tobacco's Toll in New York	
Adults who smoke	16.6%
High school students who smoke	10.6%
Deaths caused by smoking each year	28,200
Annual health care costs directly caused by smoking	$10.39 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$886 per household
Estimated annual tobacco company marketing in state	$213.5 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.4 to 1

North Carolina

	FY2015	FY2014*
State Ranking	47	--
STATE SPENDING ON TOBACCO PREVENTION	$1.2 million	$1.2 million
% of CDC Recommended Spending ($99.3 million)	1.2%	1.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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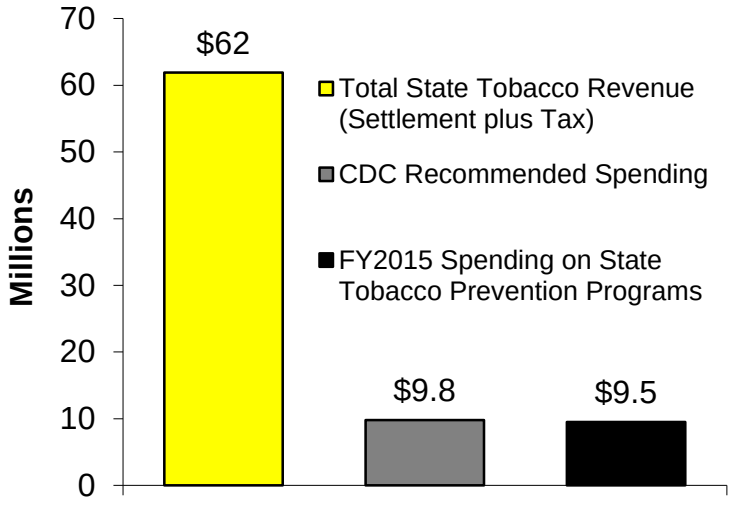
Tobacco's Toll in North Carolina	
Adults who smoke	20.3%
High school students who smoke	15.0%
Deaths caused by smoking each year	14,200
Annual health care costs directly caused by smoking	$3.81 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$564 per household
Estimated annual tobacco company marketing in state	$349.8 million
Ratio of tobacco company marketing to total spending on tobacco prevention	291.5 to 1

North Dakota

	FY2015	FY2014*
State Ranking	1	--
STATE SPENDING ON TOBACCO PREVENTION	$9.5 million	$9.5 million
% of CDC Recommended Spending ($9.8 million)	97.1%	97.1%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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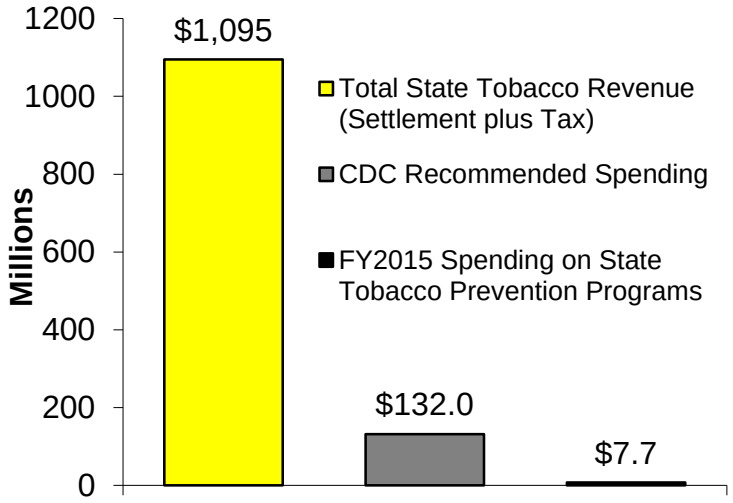
Tobacco's Toll in North Dakota	
Adults who smoke	21.2%
High school students who smoke	19.0%
Deaths caused by smoking each year	1,000
Annual health care costs directly caused by smoking	$326 million
Residents' state & federal tax burden from smoking-caused government expenditures	$575 per household
Estimated annual tobacco company marketing in state	$27.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	2.9 to 1

Ohio

	FY2015	FY2014*
State Ranking	37	--
STATE SPENDING ON TOBACCO PREVENTION	$7.7 million	$1.5 million
% of CDC Recommended Spending ($132.0 million)	5.8%	1.1%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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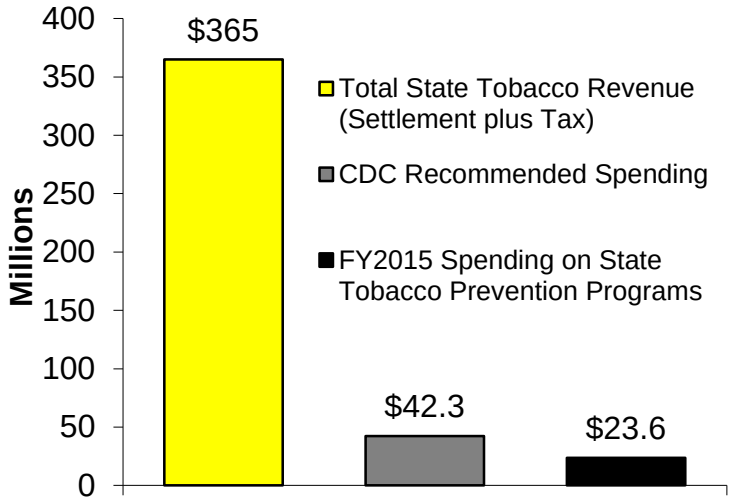
Tobacco's Toll in Ohio	
Adults who smoke	23.4%
High school students who smoke	15.1%
Deaths caused by smoking each year	20,200
Annual health care costs directly caused by smoking	$5.64 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$616 per household
Estimated annual tobacco company marketing in state	$394.7 million
Ratio of tobacco company marketing to total spending on tobacco prevention	51.6 to 1

Oklahoma

	FY2015	FY2014*
State Ranking	4	--
STATE SPENDING ON TOBACCO PREVENTION	$23.6 million	$22.7 million
% of CDC Recommended Spending ($42.3 million)	55.7%	53.7%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



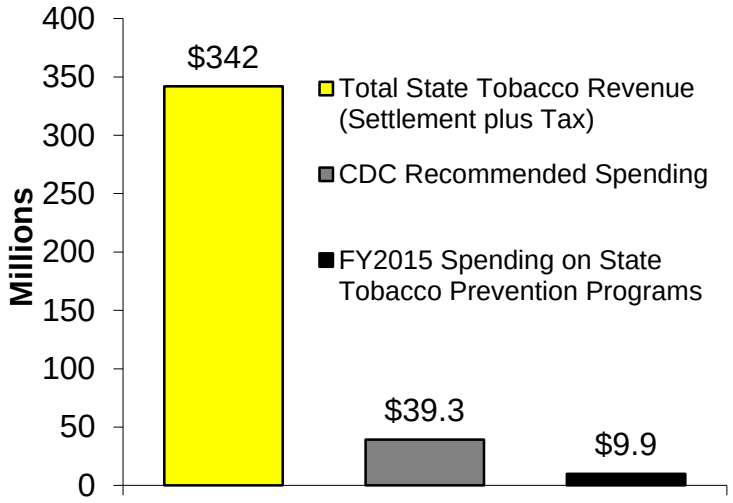
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Oklahoma	
Adults who smoke	23.7%
High school students who smoke	18.5%
Deaths caused by smoking each year	7,500
Annual health care costs directly caused by smoking	$1.62 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$551 per household
Estimated annual tobacco company marketing in state	$160.3 million
Ratio of tobacco company marketing to total spending on tobacco prevention	6.8 to 1

Oregon

	FY2015	FY2014*
State Ranking	19	--
STATE SPENDING ON TOBACCO PREVENTION	$9.9 million	$9.9 million
% of CDC Recommended Spending ($39.3 million)	25.2%	25.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



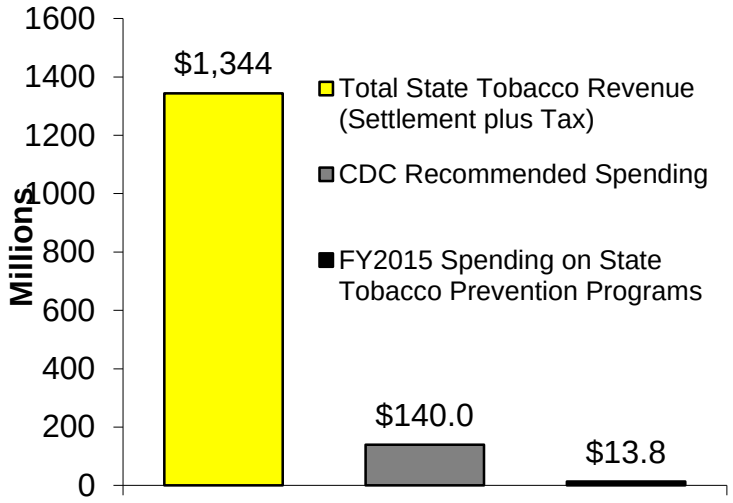
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Oregon	
Adults who smoke	17.3%
High school students who smoke	9.4%
Deaths caused by smoking each year	5,500
Annual health care costs directly caused by smoking	$1.54 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$564 per household
Estimated annual tobacco company marketing in state	$108.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	10.9 to 1

Pennsylvania

	FY2015	FY2014*
State Ranking	30	--
STATE SPENDING ON TOBACCO PREVENTION	$13.8 million§	$5.0 million§
% of CDC Recommended Spending ($140.0 million)	9.9%	3.6%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.
§ Pennsylvania's FY2015 and FY2014 annual spending is estimated, not confirmed by state health department.



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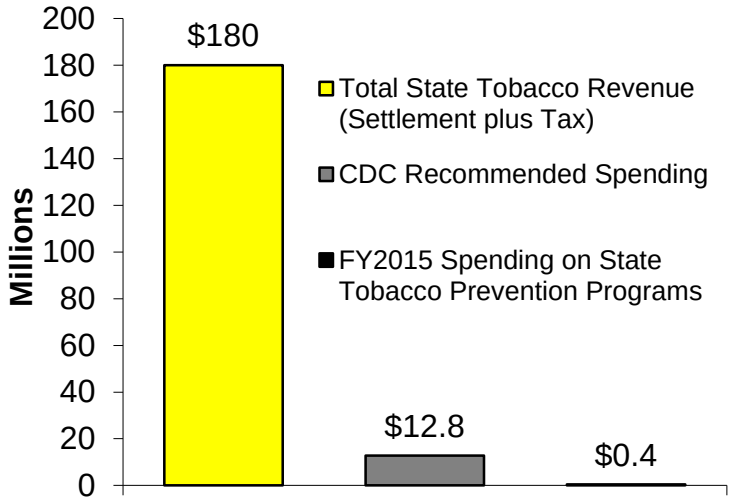
Tobacco's Toll in Pennsylvania	
Adults who smoke	21.0%
High school students who smoke	18.4%
Deaths caused by smoking each year	22,000
Annual health care costs directly caused by smoking	$6.38 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$663 per household
Estimated annual tobacco company marketing in state	$431.2 million
Ratio of tobacco company marketing to total spending on tobacco prevention	31.2 to 1

Rhode Island

	FY2015	FY2014*
State Ranking	43	--
STATE SPENDING ON TOBACCO PREVENTION	$388,027	$388,027
% of CDC Recommended Spending ($12.8 million)	3.0%	3.0%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



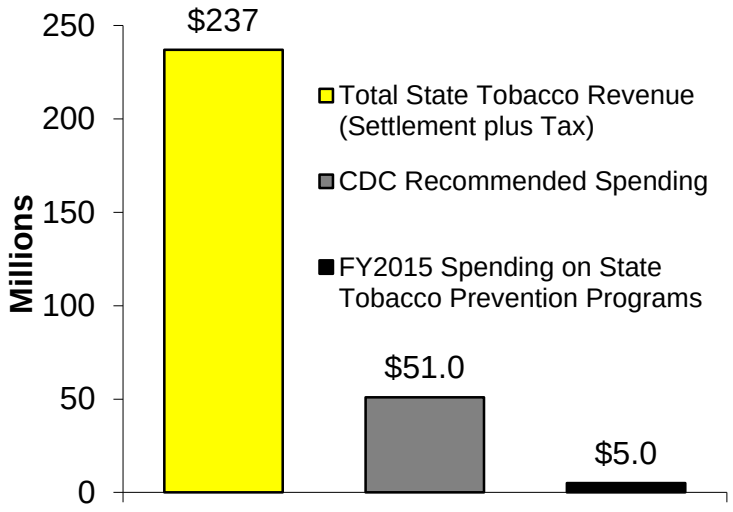
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Rhode Island	
Adults who smoke	17.4%
High school students who smoke	8.0%
Deaths caused by smoking each year	1,800
Annual health care costs directly caused by smoking	$640 million
Residents' state & federal tax burden from smoking-caused government expenditures	$731 per household
Estimated annual tobacco company marketing in state	$23.1 million
Ratio of tobacco company marketing to total spending on tobacco prevention	59.5 to 1

South Carolina

	FY2015	FY2014*
State Ranking	31	--
STATE SPENDING ON TOBACCO PREVENTION	$5.0 million	$5.0 million
% of CDC Recommended Spending ($51.0 million)	9.8%	9.8%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



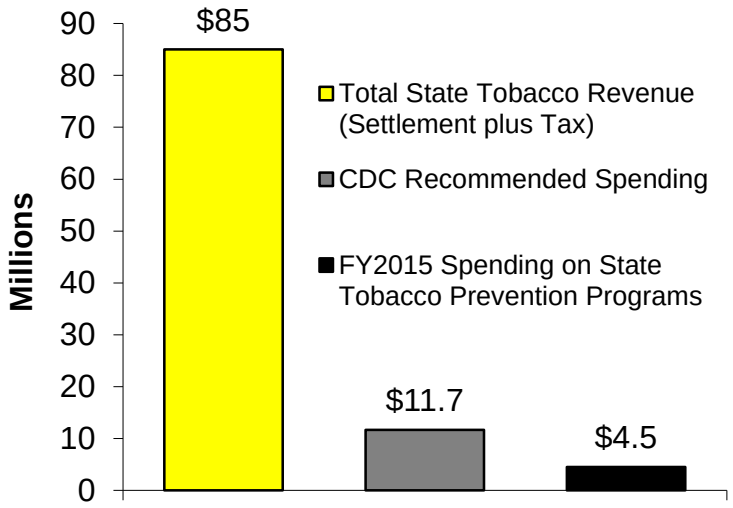
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in South Carolina	
Adults who smoke	22.0%
High school students who smoke	16.0%
Deaths caused by smoking each year	7,200
Annual health care costs directly caused by smoking	$1.90 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$560 per household
Estimated annual tobacco company marketing in state	$194.9 million
Ratio of tobacco company marketing to total spending on tobacco prevention	39.0 to 1

South Dakota

	FY2015	FY2014*
State Ranking	12	--
STATE SPENDING ON TOBACCO PREVENTION	$4.5 million	$4.0 million
% of CDC Recommended Spending ($11.7 million)	38.5%	34.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



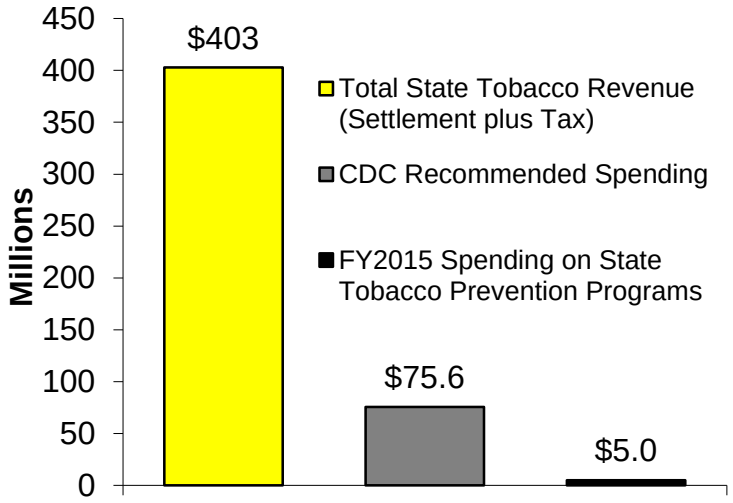
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in South Dakota	
Adults who smoke	19.6%
High school students who smoke	16.5%
Deaths caused by smoking each year	1,300
Annual health care costs directly caused by smoking	$373 million
Residents' state & federal tax burden from smoking-caused government expenditures	$579 per household
Estimated annual tobacco company marketing in state	$21.5 million
Ratio of tobacco company marketing to total spending on tobacco prevention	4.8 to 1

Tennessee

	FY2015	FY2014*
State Ranking	36	--
STATE SPENDING ON TOBACCO PREVENTION	$5.0 million	$5.0 million
% of CDC Recommended Spending ($75.6 million)	6.6%	6.6%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



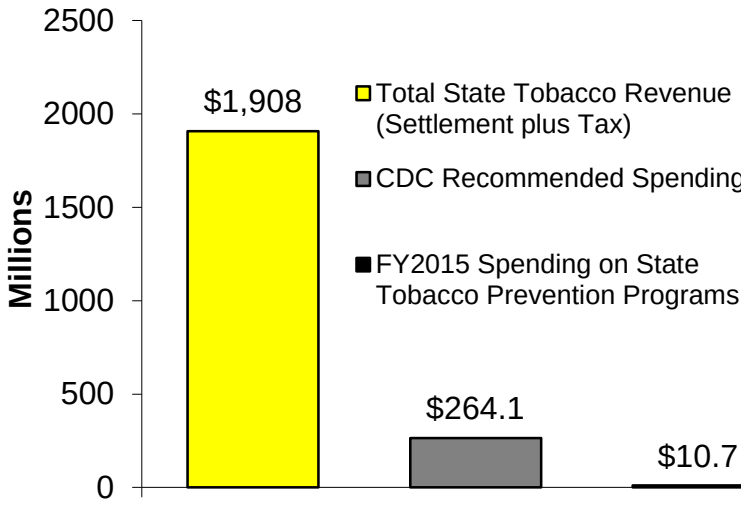
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Tennessee	
Adults who smoke	24.3%
High school students who smoke	15.4%
Deaths caused by smoking each year	11,400
Annual health care costs directly caused by smoking	$2.67 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$591 per household
Estimated annual tobacco company marketing in state	$274.0 million
Ratio of tobacco company marketing to total spending on tobacco prevention	54.8 to 1

Texas

	FY2015	FY2014*
State Ranking	40	--
STATE SPENDING ON TOBACCO PREVENTION	$10.7 million	$11.2 million
% of CDC Recommended Spending ($264.1 million)	4.1%	4.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



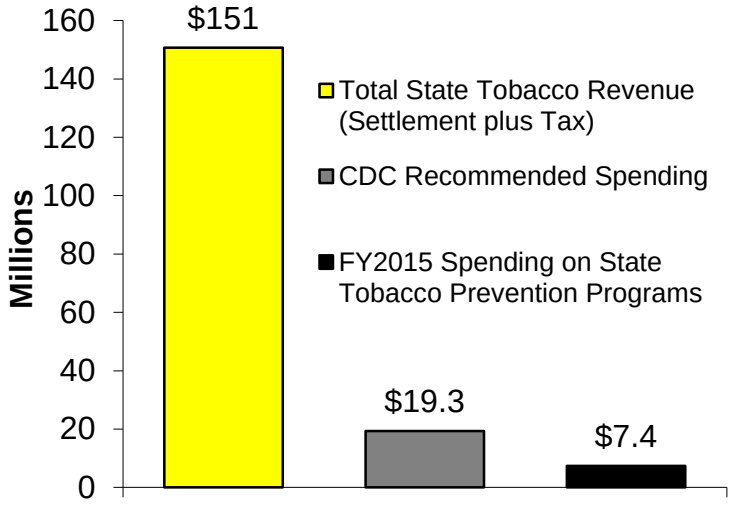
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Texas	
Adults who smoke	15.9%
High school students who smoke	14.1%
Deaths caused by smoking each year	28,000
Annual health care costs directly caused by smoking	$8.85 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$566 per household
Estimated annual tobacco company marketing in state	$586.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	54.7 to 1

Utah

	FY2015	FY2014*
State Ranking	13	--
STATE SPENDING ON TOBACCO PREVENTION	$7.4 million	$7.5 million
% of CDC Recommended Spending ($19.3 million)	38.2%	39.1%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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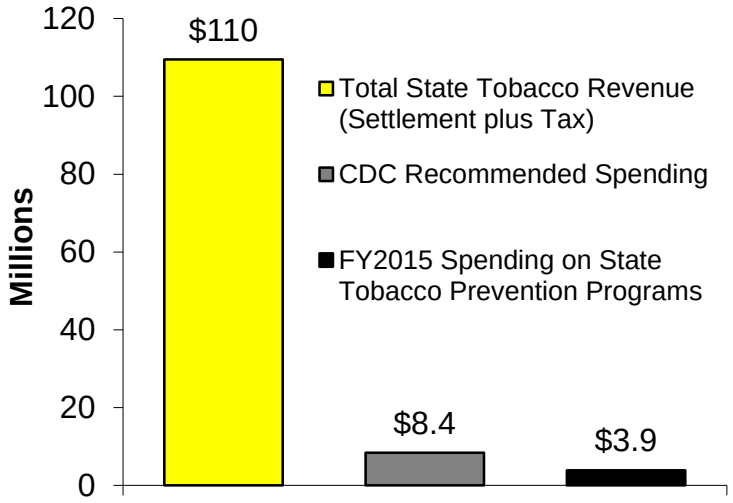
Tobacco's Toll in Utah	
Adults who smoke	10.3%
High school students who smoke	4.4%
Deaths caused by smoking each year	1,300
Annual health care costs directly caused by smoking	$542 million
Residents' state & federal tax burden from smoking-caused government expenditures	$516 per household
Estimated annual tobacco company marketing in state	$37.0 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.0 to 1

Vermont

	FY2015	FY2014*
State Ranking	9	--
STATE SPENDING ON TOBACCO PREVENTION	$3.9 million	$3.9 million
% of CDC Recommended Spending ($8.4 million)	46.4%	46.4%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



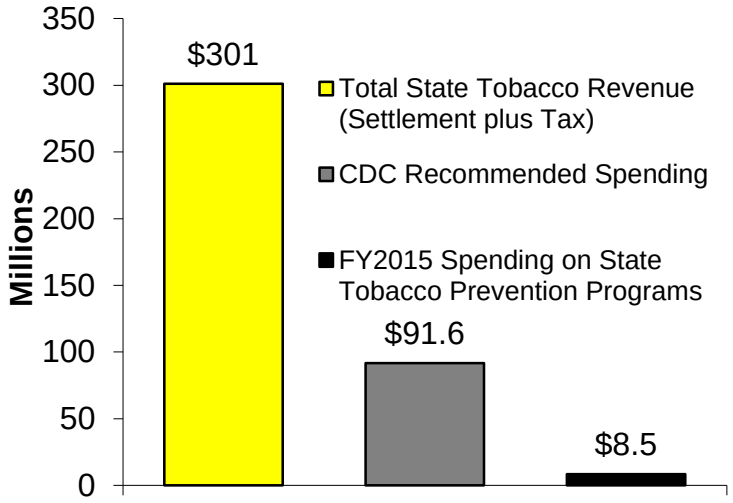
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Vermont	
Adults who smoke	16.6%
High school students who smoke	13.3%
Deaths caused by smoking each year	1,000
Annual health care costs directly caused by smoking	$348 million
Residents' state & federal tax burden from smoking-caused government expenditures	$633 per household
Estimated annual tobacco company marketing in state	$18.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	4.7 to 1

Virginia

	FY2015	FY2014*
State Ranking	32	--
STATE SPENDING ON TOBACCO PREVENTION	$8.5 million	$9.5 million
% of CDC Recommended Spending ($91.6 million)	9.3%	10.3%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



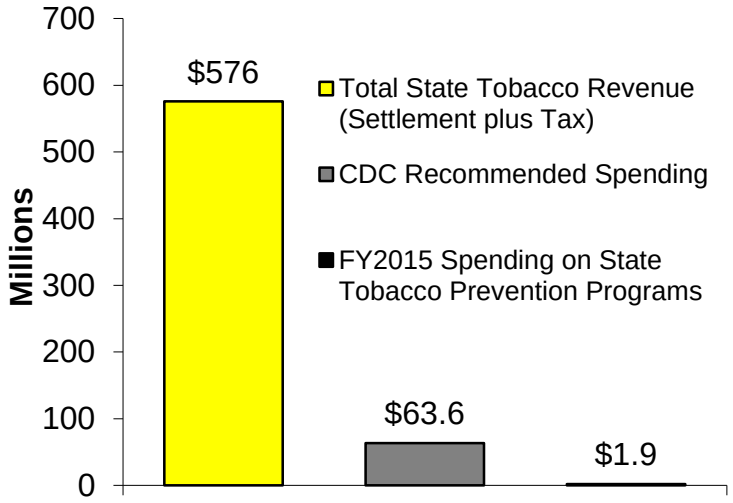
Note: Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates.

Tobacco's Toll in Virginia	
Adults who smoke	19.0%
High school students who smoke	11.1%
Deaths caused by smoking each year	10,300
Annual health care costs directly caused by smoking	$3.11 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$560 per household
Estimated annual tobacco company marketing in state	$323.3 million
Ratio of tobacco company marketing to total spending on tobacco prevention	38.0 to 1

Washington

	FY2015	FY2014*
State Ranking	44	--
STATE SPENDING ON TOBACCO PREVENTION	$1.9 million	$756,000
% of CDC Recommended Spending ($63.6 million)	2.9%	1.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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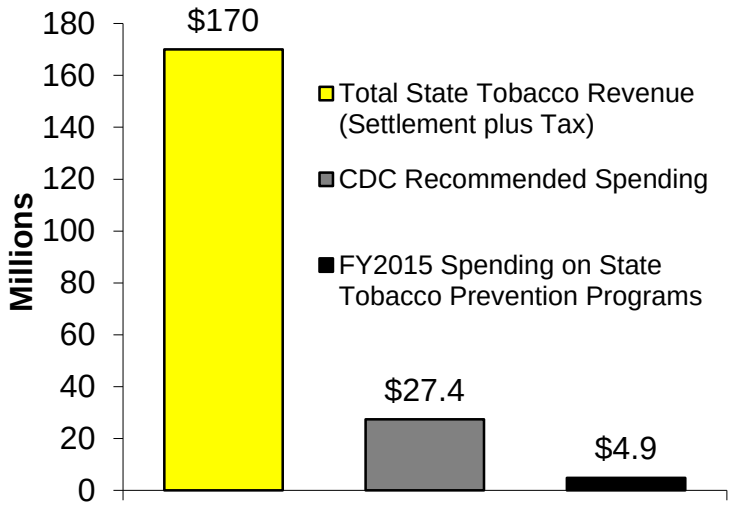
Tobacco's Toll in Washington	
Adults who smoke	16.1%
High school students who smoke	9.5%
Deaths caused by smoking each year	8,300
Annual health care costs directly caused by smoking	$2.81 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$619 per household
Estimated annual tobacco company marketing in state	$88.0 million
Ratio of tobacco company marketing to total spending on tobacco prevention	47.6 to 1

West Virginia

	FY2015	FY2014*
State Ranking	22	--
STATE SPENDING ON TOBACCO PREVENTION	$4.9 million	$5.3 million
% of CDC Recommended Spending ($27.4 million)	17.8%	19.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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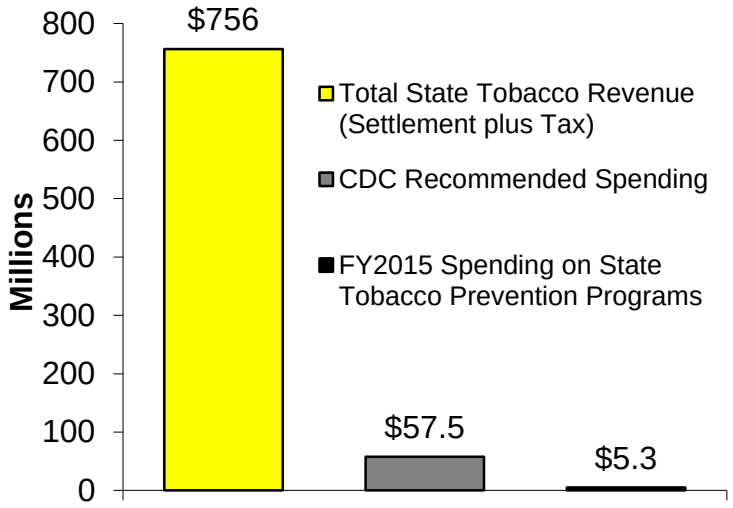
Tobacco's Toll in West Virginia	
Adults who smoke	27.3%
High school students who smoke	19.6%
Deaths caused by smoking each year	4,300
Annual health care costs directly caused by smoking	$1.00 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$594 per household
Estimated annual tobacco company marketing in state	$120.4 million
Ratio of tobacco company marketing to total spending on tobacco prevention	24.7 to 1

Wisconsin

	FY2015	FY2014*
State Ranking	33	--
STATE SPENDING ON TOBACCO PREVENTION	$5.3 million	$5.3 million
% of CDC Recommended Spending ($57.5 million)	9.2%	9.2%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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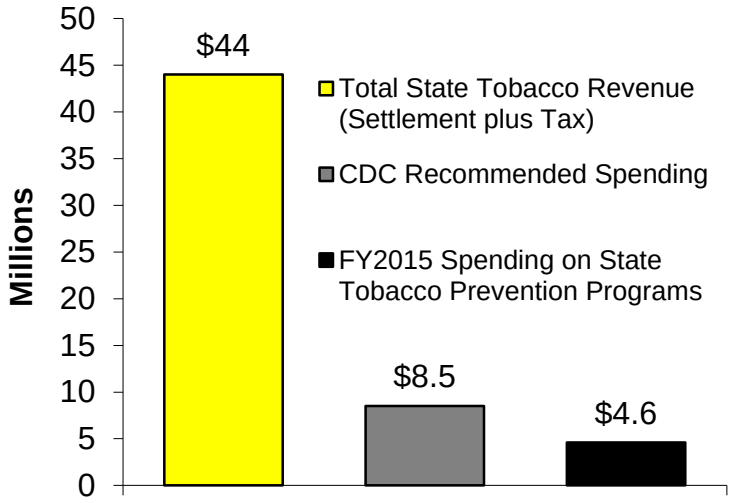
Tobacco's Toll in Wisconsin	
Adults who smoke	18.7%
High school students who smoke	10.7%
Deaths caused by smoking each year	7,900
Annual health care costs directly caused by smoking	$2.66 billion
Residents' state & federal tax burden from smoking-caused government expenditures	$584 per household
Estimated annual tobacco company marketing in state	$145.6 million
Ratio of tobacco company marketing to total spending on tobacco prevention	27.5 to 1

Wyoming

	FY2015	FY2014*
State Ranking	6	--
STATE SPENDING ON TOBACCO PREVENTION	$4.6 million	$5.1 million
% of CDC Recommended Spending ($8.5 million)	54.1%	60.0%

* In January 2014, CDC released updated recommendations for state tobacco prevention spending; therefore, FY2015 ranks cannot be compared to previous years.



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Tobacco's Toll in Wyoming	
Adults who smoke	20.6%
High school students who smoke	17.4%
Deaths caused by smoking each year	800
Annual health care costs directly caused by smoking	$258 million
Residents' state & federal tax burden from smoking-caused government expenditures	$581 per household
Estimated annual tobacco company marketing in state	$24.0 million
Ratio of tobacco company marketing to total spending on tobacco prevention	5.2 to 1

Sources: State Data on Tobacco's Toll

Adult Smoking Rates. State adult smoking rates: 2013 BRFSS, *Behavioral Risk Factor Surveillance System*.

Youth Smoking Rates. State youth smoking rates: Youth Risk Behavioral Surveillance (YRBS); Youth Tobacco Surveillance (YTS); and state-specific surveys.

Smoking-Caused Deaths. Includes deaths caused by cigarette smoking but not deaths caused by other forms of combustible tobacco or smokeless tobacco products, which are expected to be in the thousands per year. CDC, *Best Practices for Comprehensive Tobacco Control Programs—2014,* http://www.cdc.gov/tobacco/stateandcommunity/best_practices/.

Smoking-Caused Healthcare Costs. CDC, *Best Practices for Comprehensive Tobacco Control Programs—2014,* http://www.cdc.gov/tobacco/stateandcommunity/best_practices/, Health costs do not include estimated annual costs from lost productivity due to premature death and exposure to secondhand smoke.

Residents' state & federal tax burden from smoking-caused government expenditures
Based on data from: CDC, Best Practices for Comprehensive Tobacco Control Programs, 2014; CDC, Data Highlights 2006; Zhang, X., et al., "Cost of Smoking to the Medicare Program, 1993," Health Care Financing Review 20(4): 1-19, Summer 1999; Office of Management & Budget, The Budget for the United States Government - Fiscal Year 2000, Table S-8, January 1999; CDC, "Medical Care Expenditures Attributable to Smoking -- United States, 1993," MMWR 43(26): 1-4, July 8, 1994.

Estimated annual tobacco company marketing in state
U.S. Federal Trade Commission (FTC), *Cigarette Report for 2011*, 2013, http://www.ftc.gov/os/2013/05/130521cigarettereport.pdf. FTC, *Smokeless Tobacco Report for 2011*, 2013, http://www.ftc.gov/os/2013/05/130521smokelesstobaccoreport.pdf. Data for top 5 manufacturers only. State total is a prorated estimate based on cigarette pack sales in the state.

Ratio of tobacco company marketing to spending
Estimated annual tobacco company marketing in state divided by state spending on tobacco prevention as reported in this new report.

Appendix A

History of Spending for State Tobacco Prevention Programs FY2008 – FY2015*

	FY2015		FY2014		FY2013		FY2012		FY2011		FY2010		FY2009		FY2008	
	Spending ($millions)	Percent of CDC Rec.*	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.*	Spending ($millions)	Percent of CDC Min.
States Total	**$490.4**	**14.8%**	**$481.2**	**14.6%**	**$459.5**	**12.4%**	**$456.7**	**12.4%**	**$517.9**	**14.0%**	**$569.3**	**15.4%**	**$670.9**	**18.1%**	**$717.2**	**44.8%**
Alabama**	$0.4	0.6%	$0.3	0.5%	NA	NA	NA	NA	$0.9	1.5%	$0.8	1.3%	$1.2	2.1%	$0.8	2.9%
Alaska	$9.7	95.6%	$10.1	99.4%	$10.9	101.6%	$10.8	101.3%	$9.8	92.0%	$9.2	86.0%	$8.2	76.6%	$7.5	92.5%
Arizona	$18.6	28.9%	$18.6	28.9%	$15.2	22.3%	$18.0	26.4%	$19.8	29.1%	$22.1	32.5%	$21.0	30.8%	$23.5	84.6%
Arkansas	$17.5	47.6%	$17.5	47.6%	$17.8	48.9%	$7.4	20.5%	$11.8	32.4%	$18.7	51.4%	$16.0	44.0%	$15.6	87.1%
California	$58.9	16.9%	$64.8	18.6%	$62.1	14.1%	$70.0	15.8%	$75.0	17.0%	$77.1	17.4%	$77.7	17.6%	$77.4	46.9%
Colorado	$23.1	43.7%	$26.0	49.1%	$22.6	41.5%	$6.5	11.9%	$7.0	12.9%	$11.1	20.4%	$26.4	48.5%	$26.0	105.9%
Connecticut	$3.5	11.0%	$3.0	9.4%	$6.0	13.7%	$0.0	0.0%	$0.4	0.9%	$6.1	13.9%	$7.4	16.9%	$0.0	0.0%
Delaware	$8.7	66.7%	$8.3	64.0%	$9.0	64.9%	$9.0	64.9%	$8.3	59.5%	$10.1	72.7%	$10.7	77.0%	$10.7	123.8%
DC	$2.0	18.7%	$0.5	4.6%	$0.5	4.7%	$0.0	0.0%	$0.6	5.4%	$0.9	8.1%	$3.6	34.3%	$3.6	48.1%
Florida	$66.6	34.3%	$65.6	33.8%	$64.3	30.5%	$62.3	29.5%	$61.6	29.2%	$65.8	31.2%	$59.5	28.2%	$58.0	74.0%
Georgia	$1.8	1.7%	$2.2	2.1%	$0.8	0.6%	$2.0	1.7%	$2.0	1.8%	$2.1	1.8%	$2.3	2.0%	$2.2	5.3%
Hawaii	$7.5	55.0%	$7.9	57.3%	$8.9	58.8%	$10.7	70.3%	$9.3	61.1%	$7.9	52.0%	$10.5	69.1%	$10.4	96.3%
Idaho	$2.7	17.1%	$2.2	14.1%	$2.2	13.0%	$0.9	5.2%	$1.5	8.9%	$1.2	7.1%	$1.7	10.1%	$1.4	12.6%
Illinois	$11.1	8.1%	$11.1	8.1%	$11.1	7.1%	$9.5	6.1%	$9.5	6.1%	$8.5	5.4%	$8.5	5.4%	$8.5	13.1%
Indiana	$5.8	7.8%	$5.8	7.8%	$9.3	11.8%	$10.1	12.8%	$9.2	11.7%	$10.8	13.7%	$15.1	19.2%	$16.2	46.6%
Iowa	$5.2	17.4%	$5.1	17.1%	$3.2	8.7%	$3.3	8.9%	$7.3	20.0%	$10.1	27.5%	$10.4	28.3%	$12.3	63.5%
Kansas	$0.9	3.4%	$0.9	3.4%	$1.0	3.1%	$1.0	3.1%	$1.0	3.1%	$1.0	3.1%	$1.0	3.1%	$1.4	7.8%
Kentucky	$2.5	4.4%	$2.1	3.7%	$2.1	3.7%	$2.2	3.9%	$2.6	4.5%	$2.8	4.9%	$2.8	4.9%	$2.4	9.4%
Louisiana	$6.8	11.4%	$8.0	13.4%	$7.2	13.4%	$8.4	15.8%	$9.0	16.9%	$7.8	14.6%	$7.6	14.2%	$7.7	28.3%
Maine	$8.2	51.4%	$8.1	50.7%	$7.5	40.7%	$9.4	50.6%	$9.9	53.5%	$10.8	58.4%	$10.9	58.9%	$16.9	151.2%
Maryland	$8.5	17.7%	$8.5	17.8%	$4.2	6.6%	$4.3	6.8%	$4.3	6.9%	$5.5	8.7%	$19.6	31.0%	$18.4	60.7%
Massachusetts	$3.9	5.8%	$4.0	5.9%	$4.2	4.6%	$4.2	4.6%	$4.5	5.0%	$4.5	5.0%	$12.2	13.6%	$12.8	36.2%
Michigan	$1.5	1.4%	$1.5	1.4%	$1.8	1.5%	$1.8	1.5%	$2.6	2.1%	$2.6	2.1%	$3.7	3.1%	$3.6	6.6%
Minnesota	$22.3	42.2%	$21.3	40.2%	$19.6	33.6%	$19.5	33.4%	$19.6	33.6%	$20.3	34.8%	$20.5	35.1%	$22.1	77.2%
Mississippi	$10.9	29.9%	$10.9	29.9%	$9.7	24.7%	$9.9	25.3%	$9.9	25.3%	$10.6	27.0%	$10.3	26.3%	$8.0	42.6%

	FY2015		FY2014		FY2013		FY2012		FY2011		FY2010		FY2009		FY2008	
	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.	Spending ($millions)	Percent of CDC Rec.*	Spending ($millions)	Percent of CDC Min.
Missouri	$0.1	0.1%	$0.1	0.1%	$0.1	0.1%	$0.1	0.1%	$0.1	0.1%	$1.2	1.6%	$1.7	2.3%	$0.2	0.6%
Montana	$5.4	37.0%	$5.4	37.0%	$4.6	33.1%	$4.7	33.8%	$8.4	60.4%	$8.4	60.4%	$8.5	61.2%	$8.5	90.6%
Nebraska	$2.4	11.4%	$2.4	11.4%	$2.4	11.1%	$2.4	11.0%	$2.9	13.3%	$3.0	14.0%	$3.0	14.0%	$2.5	18.8%
Nevada	$1.0	3.3%	$1.0	3.3%	$0.2	0.5%	$0.0	0.0%	$0.0	0.0%	$2.9	8.9%	$3.4	10.5%	$2.0	14.8%
New Hampshire	$0.1	0.8%	$0.1	0.8%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.2	1.0%	$1.3	12.3%
New Jersey	$0.0[§]	0.0%	$0.0	0.0%	$0.0	0.0%	$1.2	1.0%	$0.6	0.5%	$7.6	6.3%	$9.1	7.6%	$11.0	24.4%
New Mexico	$5.9	26.0%	$5.9	26.0%	$5.9	25.3%	$5.9	25.3%	$7.0	29.8%	$9.5	40.6%	$9.6	41.0%	$9.6	70.1%
New York	$39.3	19.4%	$39.3	19.4%	$41.4	16.3%	$41.4	16.3%	$58.4	23.0%	$55.2	21.7%	$80.4	31.6%	$85.5	89.2%
North Carolina	$1.2	1.2%	$1.2	1.2%	$0.0	0.0%	$17.3	16.2%	$18.3	17.1%	$18.3	17.1%	$17.1	16.0%	$17.1	40.2%
North Dakota	$9.5	97.1%	$9.5	97.1%	$8.2	88.4%	$8.1	87.0%	$8.2	88.1%	$8.2	88.2%	$3.1	33.3%	$3.1	38.4%
Ohio	$7.7	5.8%	$1.5	1.1%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$6.0	4.1%	$6.0	4.1%	$44.7	72.4%
Oklahoma	$23.6	55.7%	$22.7	53.7%	$19.7	43.8%	$21.2	47.1%	$21.7	48.2%	$19.8	44.0%	$18.0	40.0%	$14.2	65.1%
Oregon	$9.9	25.2%	$9.9	25.2%	$7.5	17.5%	$8.3	19.3%	$7.1	16.6%	$6.6	15.3%	$8.2	19.1%	$8.2	38.8%
Pennsylvania	$13.8[§]	9.9%	$5.0[§]	3.6%	$14.2	9.1%	$13.9	9.0%	$14.7	9.5%	$17.7	11.4%	$32.1	20.6%	$31.7	48.3%
Rhode Island	$0.4	3.0%	$0.4	3.0%	$0.4	2.5%	$0.4	2.5%	$0.7	4.8%	$0.7	4.6%	$0.9	6.1%	$0.9	9.5%
South Carolina	$5.0	9.8%	$5.0	9.8%	$5.0	8.0%	$5.0	8.0%	$5.0	8.0%	$2.0	3.2%	$0.0	0.0%	$2.0	8.4%
South Dakota	$4.5	38.5%	$4.0	34.2%	$4.0	35.4%	$4.0	35.4%	$3.5	31.0%	$5.0	44.2%	$5.0	44.2%	$5.0	57.5%
Tennessee	$5.0	6.6%	$5.0	6.6%	$0.2	0.3%	$0.2	0.3%	$0.2	0.3%	$0.2	0.3%	$5.0	7.0%	$10.0	31.0%
Texas	$10.7	4.1%	$11.2	4.2%	$6.5	2.4%	$5.5	2.0%	$11.4	4.3%	$11.4	4.3%	$11.8	4.4%	$11.8	11.4%
Utah	$7.4	38.2%	$7.5	39.1%	$7.0	29.8%	$7.2	30.4%	$7.1	30.2%	$7.1	30.1%	$7.2	30.5%	$7.3	47.7%
Vermont	$3.9	46.4%	$3.9	46.4%	$4.0	38.2%	$3.3	31.8%	$4.5	43.4%	$4.8	46.2%	$5.2	50.0%	$5.2	66.0%
Virginia	$8.5	9.3%	$9.5	10.3%	$8.4	8.1%	$8.4	8.1%	$9.4	9.1%	$12.3	11.9%	$12.7	12.3%	$14.5	37.3%
Washington	$1.9	2.9%	$0.8	1.2%	$2.5	3.7%	$0.8	1.1%	$13.4	19.8%	$15.8	23.5%	$27.2	40.4%	$27.1	81.1%
West Virginia	$4.9	17.8%	$5.3	19.2%	$5.7	20.5%	$5.7	20.3%	$5.7	20.4%	$5.7	20.5%	$5.7	20.5%	$5.7	40.0%
Wisconsin	$5.3	9.2%	$5.3	9.2%	$5.3	8.2%	$5.3	8.3%	$6.9	10.7%	$6.9	10.7%	$15.3	23.8%	$15.0	48.1%
Wyoming	$4.6	54.1%	$5.1	60.0%	$5.4	60.0%	$5.4	60.0%	$5.4	60.0%	$4.8	53.3%	$6.0	66.7%	$5.9	80.1%
Total	**$490.4**	**14.8%**	**$481.2**	**14.6%**	**$459.5**	**12.4%**	**$456.7**	**12.4%**	**$517.9**	**14.0%**	**$569.3**	**15.4%**	**$670.9**	**18.1%**	**$717.2**	**44.8%**

Note: Annual funding amounts only include state funds

*In 2007 and again in 2014, the CDC updated its recommendations for the amount each state should spend on tobacco prevention programs, taking into account new science, population changes, inflation and other factors. Starting in FY2014, this report assessed the states based on the new recommendations issued in the 2014 CDC Best Practices for Comprehensive Tobacco Control Programs. Assessments for FY2009 through FY2013 are based on the 2007 CDC Best Practices for Comprehensive Tobacco Control Programs; earlier assessments are based on 1999 recommendations.

**In FY2012 and FY2013, Alabama's tobacco prevention program budget was unavailable at the time this report went to press.

[§]Annual spending estimated, not confirmed by state health department.

History of Spending for State Tobacco Prevention Programs FY2000 - FY2007

	FY2007		FY2006		FY2005		FY2004		FY2003		FY2002		FY2001		FY2000	
	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.
States Total	**$597.5**	**37.2%**	**$551.0**	**34.4%**	**$538.2**	**33.6%**	**$542.8**	**33.9%**	**$674.4**	**42.1%**	**$749.7**	**46.9%**	**$737.5**	**46.1%**	**$680.3**	**42.5%**
Alabama	$0.7	2.6%	$0.3	1.2%	$0.4	1.3%	$0.4	1.3%	$0.4	1.3%	$0.6	2.2%	$6.0	22.4%	$6.0	22.4%
Alaska	$6.2	76.6%	$5.7	70.5%	$4.2	51.5%	$3.8	47.0%	$5.0	61.8%	$3.1	38.3%	$1.4	17.3%	$1.4	17.3%
Arizona	$25.5	91.8%	$23.1	83.1%	$23.1	83.1%	$23.0	82.8%	$18.3	65.7%	$36.6	131.6%	$34.5	124.1%	$29.3	105.4%
Arkansas	$15.1	84.3%	$17.5	97.7%	$17.6	98.3%	$18.5	103.3%	$16.4	91.5%	$16.4	91.5%	$16.1	89.9%	$0.0	0.0%
California	$84.0	50.9%	$79.7	48.3%	$74.0	44.8%	$90.1	54.6%	$88.4	53.5%	$134.5	81.5%	$114.6	69.4%	$88.2	53.4%
Colorado	$25.0	101.8%	$27.0	110.0%	$4.3	17.5%	$3.8	15.5%	$7.6	31.0%	$12.7	51.8%	$12.7	51.7%	$13.2	53.8%
Connecticut	$2.0	9.4%	$0.0	0.2%	$0.1	0.3%	$0.5	2.4%	$0.6	2.7%	$0.6	2.7%	$1.0	4.7%	$4.0	18.8%
Delaware	$10.3	119.4%	$9.2	106.6%	$9.3	107.8%	$10.1	117.0%	$5.0	57.9%	$5.5	63.2%	$2.8	32.4%	$0.0	0.0%
DC	$0.5	6.7%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%
Florida	$5.6	7.1%	$1.0	1.3%	$1.0	1.3%	$1.0	1.3%	$37.5	47.8%	$29.8	38.0%	$44.0	56.1%	$44.0	56.1%
Georgia	$2.3	5.4%	$3.1	7.3%	$11.5	27.0%	$12.6	29.6%	$19.1	44.8%	$20.8	48.8%	$15.8	37.1%	$15.8	37.1%
Hawaii	$9.1	84.0%	$5.8	53.8%	$8.9	82.6%	$8.9	82.6%	$10.3	95.1%	$4.2	38.9%	$9.3	86.3%	$9.7	89.5%
Idaho	$0.9	8.2%	$0.5	4.9%	$1.9	17.2%	$1.6	14.5%	$1.3	11.5%	$1.1	10.0%	$1.2	10.9%	$1.2	10.9%
Illinois	$8.5	13.1%	$11.0	16.9%	$11.0	16.9%	$12.0	18.5%	$12.0	18.5%	$45.9	70.7%	$28.6	44.1%	$28.6	44.0%
Indiana	$10.9	31.3%	$10.8	31.1%	$10.8	31.1%	$10.8	31.1%	$32.5	93.4%	$32.5	93.4%	$35.0	100.6%	$35.0	100.6%
Iowa	$6.5	33.6%	$5.6	28.9%	$5.1	26.4%	$5.1	26.4%	$5.1	26.3%	$9.4	48.7%	$9.4	48.6%	$9.4	48.3%
Kansas	$1.0	5.5%	$1.0	5.5%	$0.8	4.1%	$0.5	2.8%	$0.5	2.8%	$0.5	2.8%	$0.5	2.8%	$0.5	2.8%
Kentucky	$2.2	8.8%	$2.7	10.8%	$2.7	10.8%	$2.6	10.4%	$3.0	12.0%	$5.5	21.9%	$5.8	23.1%	$5.8	23.1%
Louisiana	$8.0	29.5%	$8.0	29.5%	$11.3	41.7%	$10.7	39.4%	$8.0	29.5%	$0.5	1.8%	$4.1	15.1%	$4.1	15.1%
Maine	$14.7	131.3%	$14.2	126.9%	$14.2	126.9%	$14.5	129.6%	$15.2	135.6%	$13.8	122.9%	$18.8	168.0%	$18.8	168.0%
Maryland	$18.7	61.7%	$9.2	30.4%	$9.5	31.4%	$14.8	48.8%	$30.0	99.0%	$20.1	66.2%	$30.0	99.0%	$30.0	99.0%
Massachusetts	$8.3	23.4%	$4.3	12.1%	$3.8	10.6%	$2.5	7.1%	$4.8	13.6%	$48.0	136.2%	$43.1	122.3%	$43.1	122.3%
Michigan	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%
Minnesota	$21.7	75.8%	$22.1	77.2%	$18.7	65.3%	$20.4	71.3%	$32.3	112.9%	$28.9	101.0%	$35.0	122.3%	$35.0	122.3%
Mississippi	$0.0	0.0%	$20.0	106.4%	$20.0	106.4%	$20.0	106.4%	$20.0	106.4%	$20.0	106.4%	$31.0	165.0%	$31.0	165.0%
Missouri	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%
Montana	$6.9	73.7%	$6.8	72.6%	$2.5	26.7%	$2.5	26.7%	$0.4	4.1%	$0.5	5.3%	$3.5	37.4%	$3.5	37.4%
Nebraska	$3.0	22.5%	$3.0	22.5%	$2.9	21.8%	$0.4	3.1%	$7.0	52.6%	$7.0	52.6%	$7.0	52.6%	$7.0	52.6%
Nevada	$3.8	28.2%	$4.2	31.2%	$4.4	32.6%	$4.3	31.9%	$4.3	31.8%	$4.3	31.7%	$3.0	22.3%	$3.9	29.0%

	FY2007		FY2006		FY2005		FY2004		FY2003		FY2002		FY2001		FY2000	
	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.	Spending ($millions)	Percent of CDC Min.
New Hampshire	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$3.0	27.5%	$3.0	27.5%	$3.0	27.5%	$3.0	27.5%
New Jersey	$11.0	24.4%	$11.5	25.5%	$11.0	24.4%	$10.5	23.3%	$30.0	66.6%	$30.0	66.6%	$30.0	66.6%	$18.6	41.3%
New Mexico	$7.7	56.2%	$6.0	43.8%	$5.0	36.5%	$5.0	36.5%	$5.0	36.5%	$5.0	36.5%	$2.3	16.8%	$2.3	16.4%
New York	$85.5	89.2%	$43.4	45.3%	$39.5	41.2%	$37.0	38.6%	$40.0	41.7%	$40.0	41.7%	$30.0	31.3%	$30.0	31.3%
North Carolina	$17.1	40.2%	$15.0	35.2%	$15.0	35.2%	$10.9	25.6%	$6.2	14.6%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%
North Dakota	$3.1	38.0%	$3.1	38.0%	$3.1	38.0%	$3.0	36.8%	$2.5	30.6%	$2.5	30.9%	$0.0	0.0%	$0.0	0.0%
Ohio	$45.0	72.9%	$47.2	76.4%	$53.3	86.3%	$38.0	61.5%	$34.0	55.1%	$21.7	35.1%	$60.0	97.2%	$60.0	97.2%
Oklahoma	$10.0	45.8%	$8.9	40.8%	$4.8	22.0%	$2.5	11.5%	$2.5	11.2%	$1.7	7.9%	$6.3	28.9%	$6.3	28.9%
Oregon	$3.5	16.3%	$3.5	16.3%	$3.5	16.6%	$2.9	13.5%	$11.1	52.5%	$11.3	53.2%	$8.5	40.2%	$8.5	40.2%
Pennsylvania	$30.3	46.2%	$32.9	50.2%	$46.1	70.3%	$52.6	80.2%	$52.0	79.3%	$41.4	63.1%	$0.0	0.0%	$0.0	0.0%
Rhode Island	$1.0	9.6%	$2.1	21.2%	$2.5	25.3%	$2.7	27.3%	$3.3	33.4%	$3.3	33.4%	$2.3	23.3%	$2.3	23.3%
South Carolina	$2.0	8.4%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$2.0	8.4%	$1.6	6.7%	$1.8	7.5%	$1.8	7.3%
South Dakota	$0.7	8.1%	$0.7	8.1%	$1.5	17.3%	$0.8	8.6%	$0.8	8.6%	$2.7	31.1%	$1.7	19.6%	$1.7	19.6%
Tennessee	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%	$0.0	0.0%
Texas	$5.2	5.0%	$7.0	6.8%	$7.4	7.2%	$7.4	7.2%	$12.5	12.1%	$12.5	12.1%	$9.3	9.0%	$9.0	8.7%
Utah	$7.2	47.3%	$7.2	47.3%	$7.2	47.2%	$7.2	47.2%	$7.0	46.0%	$6.0	39.4%	$6.0	39.4%	$6.0	39.4%
Vermont	$5.1	64.5%	$4.9	61.9%	$4.7	58.9%	$4.5	56.9%	$5.2	65.7%	$5.5	70.0%	$6.5	82.2%	$6.5	82.2%
Virginia	$13.5	34.7%	$12.8	32.9%	$13.0	33.5%	$17.4	44.8%	$22.2	57.1%	$19.2	49.3%	$12.6	32.4%	$13.1	33.7%
Washington	$27.1	81.3%	$27.2	81.6%	$27.2	81.6%	$26.2	78.6%	$26.2	78.7%	$17.5	52.5%	$15.0	45.0%	$15.0	45.0%
West Virginia	$5.4	38.1%	$5.9	41.7%	$5.9	41.3%	$5.9	41.7%	$5.9	41.3%	$5.9	41.3%	$5.9	41.7%	$5.9	41.3%
Wisconsin	$10.0	32.1%	$10.0	32.1%	$10.0	32.1%	$10.0	32.1%	$15.5	49.7%	$15.5	49.7%	$21.2	68.0%	$21.2	68.0%
Wyoming	$5.9	79.9%	$5.9	79.9%	$3.8	51.5%	$3.0	40.7%	$3.0	40.7%	$0.9	12.2%	$0.9	12.2%	$0.9	12.2%
Total	**$597.5**	**37.2%**	**$551.0**	**34.4%**	**$538.2**	**33.6%**	**$542.8**	**33.9%**	**$674.4**	**42.1%**	**$749.7**	**46.9%**	**$737.5**	**46.1%**	**$680.3**	**42.5%**

Appendix B

STATE TOBACCO-PREVENTION SPENDING vs. STATE TOBACCO REVENUES AND ANNUAL SMOKING-CAUSED HEALTH COSTS

[All amounts are in millions of dollars per year, except where otherwise indicated]

Despite receiving massive amounts of annual revenue from tobacco taxes and the state tobacco lawsuit settlements with the cigarette companies, the vast majority of states are still failing to invest the amounts recommended by the U.S. Centers for Disease Control and Prevention (CDC) to prevent and reduce tobacco use and minimize related health harms and costs.

State	Annual Smoking Caused Health Costs	FY2015 State Tobacco Prevention Spending	FY2015 State Tobacco Settlement Revenues (est.)	FY2015 State Tobacco Tax Revenues (est.)	Total Annual State Revenues From Tobacco (est.)	Tobacco Prevention Spending % of Tobacco Revenue
States Total	**$170 bill.**	**$490.4**	**$7.2 bill.**	**$18.4 bill.**	**$25.6 bill.**	**1.9%**
Alabama	$1.88 bill.	$0.4	$95.6	$131.9	$227.5	0.2%
Alaska	$438	$9.7	$30.5	$67.6	$98.1	9.9%
Arizona	$2.38 bill.	$18.6	$104.0	$320.1	$424.1	4.4%
Arkansas	$1.21 bill.	$17.5	$51.6	$226.6	$278.2	6.3%
California	$13.29 bill.	$58.9	$749.3	$809.6	$1.6 bill.	3.8%
Colorado	$1.89 bill.	$23.1	$89.5	$190.7	$280.2	8.2%
Connecticut	$2.03 bill.	$3.5	$127.2	$377.9	$505.1	0.7%
Delaware	$532	$8.7	$26.4	$106.5	$132.8	6.5%
DC	$391	$2.0	$39.3	$30.4	$69.6	2.9%
Florida	$8.64 bill.	$66.6	$362.1	$1.2 bill.	$1.5 bill.	4.3%
Georgia	$3.18 bill.	$1.8	$143.7	$217.1	$360.8	0.5%
Hawaii	$526	$7.5	$49.1	$119.6	$168.6	4.5%
Idaho	$508	$2.7	$24.7	$47.6	$72.3	3.7%
Illinois	$5.49 bill.	$11.1	$265.3	$884.9	$1.2 bill.	1.0%
Indiana	$2.93 bill.	$5.8	$126.1	$439.0	$565.1	1.0%
Iowa	$1.28 bill.	$5.2	$65.8	$222.4	$288.2	1.8%
Kansas	$1.12 bill.	$0.9	$59.7	$95.7	$155.4	0.6%
Kentucky	$1.92 bill.	$2.5	$97.8	$249.5	$347.3	0.7%
Louisiana	$1.89 bill.	$6.8	$144.6	$135.1	$279.6	2.4%
Maine	$811	$8.2	$50.3	$135.3	$185.6	4.4%
Maryland	$2.71 bill.	$8.5	$143.3	$399.5	$542.8	1.6%
Massachusetts	$4.08 bill.	$3.9	$248.2	$633.7	$881.9	0.4%
Michigan	$4.59 bill.	$1.5	$261.3	$926.5	$1.2 bill.	0.1%
Minnesota	$2.51 bill.	$22.3	$166.1	$1.2 bill.	$1.4 bill.	1.6%
Mississippi	$1.23 bill.	$10.9	$111.9	$142.0	$253.9	4.3%
Missouri	$3.03 bill.	$0.1	$131.3	$100.0	$231.2	0.0%
Montana	$440	$5.4	$30.0	$85.0	$115.1	4.7%
Nebraska	$795	$2.4	$38.6	$64.9	$103.5	2.3%
Nevada	$1.08 bill.	$1.0	$41.4	$101.5	$142.9	0.7%
New Hampshire	$729	$0.1	$43.6	$214.2	$257.7	0.0%
New Jersey*	$4.06 bill.	$0.0	$236.1	$711.7	$947.8	0.0%
New Mexico	$844	$5.9	$38.7	$90.3	$129.0	4.6%

State	Annual Smoking Caused Health Costs	FY2015 State Tobacco Prevention Spending	FY2015 State Tobacco Settlement Revenues (est.)	FY2015 State Tobacco Tax Revenues (est.)	Total Annual State Revenues From Tobacco (est.)	Tobacco Prevention Spending % of Tobacco Revenue
New York	$10.39 bill.	$39.3	$713.0	$1.4 bill.	$2.1 bill.	1.9%
North Carolina	$3.81 bill.	$1.2	$144.0	$278.4	$422.4	0.3%
North Dakota	$326	$9.5	$32.0	$29.9	$61.9	15.4%
Ohio	$5.64 bill.	$7.7	$285.9	$808.7	$1.1 bill.	0.7%
Oklahoma	$1.62 bill.	$23.6	$80.0	$284.9	$364.9	6.5%
Oregon	$1.54 bill.	$9.9	$78.2	$263.6	$341.8	2.9%
Pennsylvania*	$6.38 bill.	$13.8	$326.8	$1.0 bill.	$1.3 bill.	1.0%
Rhode Island	$640	$0.4	$45.9	$134.3	$180.2	0.2%
South Carolina	$1.90 bill.	$5.0	$75.1	$161.8	$236.9	2.1%
South Dakota	$373	$4.5	$23.9	$60.8	$84.7	5.3%
Tennessee	$2.67 bill.	$5.0	$141.6	$261.6	$403.2	1.2%
Texas	$8.85 bill.	$10.7	$463.5	$1.4 bill.	$1.9 bill.	0.6%
Utah	$542	$7.4	$36.8	$113.8	$150.7	4.9%
Vermont	$348	$3.9	$35.0	$74.5	$109.5	3.6%
Virginia	$3.11 bill.	$8.5	$119.5	$181.5	$301.0	2.8%
Washington	$2.81 bill.	$1.9	$150.5	$425.2	$575.7	0.3%
West Virginia	$1.00 bill.	$4.9	$65.7	$104.4	$170.1	2.9%
Wisconsin	$2.66 bill.	$5.3	$128.4	$627.4	$755.8	0.7%
Wyoming	$258	$4.6	$19.2	$24.8	$44.0	10.4%

* Annual spending estimated, not confirmed by state health department.

Notes: Annual funding amounts only include state funds. Annual state health care costs and CDC annual spending targets are from CDC, *Best Practices for Comprehensive Tobacco Control*, January 2014. National health care costs are from Xu, Xin, "Annual Healthcare Spending Attributable to Cigarette Smoking," *Am J Prev Med*, published online: December 09, 2014, http://www.ajpmonline.org/article/S0749-3797%2814%2900616-3/abstract. State settlement payments are based on information received from the National Association of Attorneys General (NAAG). Revenue estimates reflect reductions in MSA payments due April 15, 2015 as a result of the Non-Participating Manufacturers (NPM) Adjustment and our understanding of the consequences of implementing the decisions reached by the arbitration panel in the NPM Adjustment arbitrations in 2013 and the implementation of the March 2013 settlement between 22 States and the Participating Manufacturers. Actual revenues might differ from these estimates. Estimated state tobacco tax revenue amounts are based on monthly Tax Burden on Tobacco data, state agencies, and conservative projections using the most recent data available.

Appendix C

STATE TOBACCO PREVENTION SPENDING vs. TOBACCO COMPANY MARKETING

[All amounts are annual and in millions of dollars per year, except where otherwise indicated]

States today are still failing to invest in programs that prevent and reduce tobacco use and its related health care costs at the levels recommend by the U.S. Centers for Disease Control and Prevention (CDC). Moreover, despite new evidence showing that cigarettes are more deadly and addictive than ever before, several states have taken a step backward and significantly reduced their tobacco prevention spending. At the same time, the tobacco industry continues to spend overwhelming sums to market its products. As a result, states are being greatly outspent.

States' tobacco prevention investments amount to a small fraction of tobacco industry marketing expenditures. In North Carolina, for example, the tobacco industry spends $291 to promote its deadly products for every single dollar the state spends to prevent and reduce tobacco use and its harms. To look at it another way, North Carolina's tobacco prevention spending amounts to less than one percent of the tobacco industry's marketing expenditures in the state. Nationwide, the tobacco industry is outspending tobacco prevention funding in the states by 18 to 1.*

State	Annual Smoking Caused Health Costs in State	FY2015 Total Tobacco Prevention Spending	2011 Tobacco Company Marketing in State (estimated)	Percentage of Tobacco Company Marketing that State Spends on Tobacco Prevention	Ratio of Tobacco Company Marketing to State Tobacco Prevention Spending
Total	**$170 bill.**	**$490.4**	**$8.8 bill.**	**5.6%**	**18.0 to 1**
Alabama	$1.88 bill.	$362,000	$196.9	0.2%	543.9 to 1
Alaska	$438	$9.7	$18.5	52.7%	1.9 to 1
Arizona	$2.38 bill.	$18.6	$104.1	17.9%	5.6 to 1
Arkansas	$1.21 bill.	$17.5	$107.4	16.3%	6.1 to 1
California	$13.29 bill.	$58.9	$583.4	10.1%	9.9 to 1
Colorado	$1.89 bill.	$23.1	$123.1	18.8%	5.3 to 1
Connecticut	$2.03 bill.	$3.5	$78.1	4.5%	22.2 to 1
Delaware	$532	$8.7	$47.4	18.3%	5.5 to 1
DC	$391	$2.0	$8.7	22.9%	4.4 to 1
Florida	$8.64 bill.	$66.6	$562.6	11.8%	8.4 to 1
Georgia	$3.18 bill.	$1.8	$316.9	0.6%	181.1 to 1
Hawaii	$526	$7.5	$26.9	28.0%	3.6 to 1
Idaho	$508	$2.7	$42.9	6.2%	16.1 to 1
Illinois	$5.49 bill.	$11.1	$350.4	3.2%	31.6 to 1
Indiana	$2.93 bill.	$5.8	$271.7	2.1%	47.2 to 1
Iowa	$1.28 bill.	$5.2	$90.1	5.8%	17.2 to 1
Kansas	$1.12 bill.	$946,671	$70.7	1.3%	74.7 to 1
Kentucky	$1.92 bill.	$2.5	$271.1	0.9%	109.0 to 1
Louisiana	$1.89 bill.	$6.8	$215.2	3.2%	31.6 to 1
Maine	$811	$8.2	$40.9	20.0%	5.0 to 1
Maryland	$2.71 bill.	$8.5	$120.2	7.1%	14.1 to 1
Massachusetts	$4.08 bill.	$3.9	$134.7	2.9%	34.8 to 1
Michigan	$4.59 bill.	$1.5	$276.1	0.5%	184.1 to 1
Minnesota	$2.51 bill.	$22.3	$164.7	13.6%	7.4 to 1
Mississippi	$1.23 bill.	$10.9	$121.4	9.0%	11.1 to 1
Missouri	$3.03 bill.	$70,788	$328.6	0.0%	4,642.6 to 1
Montana	$440	$5.4	$27.1	19.9%	5.0 to 1
Nebraska	$795	$2.4	$58.8	4.0%	24.7 to 1

* These ratios are based on state tobacco prevention expenditures in FY2015 versus tobacco industry marketing expenditures in 2011 (the most recent year for which data is available).

State	Annual Smoking Caused Health Costs in State	FY2015 Total Tobacco Prevention Spending	2011 Tobacco Company Marketing in State (estimated)	Percentage of Tobacco Company Marketing that State Spends on Tobacco Prevention	Ratio of Tobacco Company Marketing to State Tobacco Prevention Spending
Nevada	$1.08 bill.	$1.0	$74.3	1.3%	74.3 to 1
New Hampshire	$729	$125,000	$73.6	0.2%	588.8 to 1
New Jersey	$4.06 bill.	$0.0[†]	$172.0	0.0%	NA
New Mexico	$844	$5.9	$33.9	17.5%	5.7 to 1
New York	$10.39 bill.	$39.3	$213.5	18.4%	5.4 to 1
North Carolina	$3.81 bill.	$1.2	$349.8	0.3%	291.5 to 1
North Dakota	$326	$9.5	$27.9	34.1%	2.9 to 1
Ohio	$5.64 bill.	$7.7	$394.7	1.9%	51.6 to 1
Oklahoma	$1.62 bill.	$23.6	$160.3	14.7%	6.8 to 1
Oregon	$1.54 bill.	$9.9	$108.4	9.1%	10.9 to 1
Pennsylvania	$6.38 bill.	$13.8[†]	$431.2	3.2%	31.2 to 1
Rhode Island	$640	$388,027	$23.1	1.7%	59.5 to 1
South Carolina	$1.90 bill.	$5.0	$194.9	2.6%	39.0 to 1
South Dakota	$373	$4.5	$21.5	20.9%	4.8 to 1
Tennessee	$2.67 bill.	$5.0	$274.0	1.8%	54.8 to 1
Texas	$8.85 bill.	$10.7	$586.4	1.8%	54.7 to 1
Utah	$542	$7.4	$37.0	19.9%	5.0 to 1
Vermont	$348	$3.9	$18.4	21.2%	4.7 to 1
Virginia	$3.11 bill.	$8.5	$323.3	2.6%	38.0 to 1
Washington	$2.81 bill.	$1.9	$88.0	2.1%	47.6 to 1
West Virginia	$1.00 bill.	$4.9	$120.4	4.0%	24.7 to 1
Wisconsin	$2.66 bill.	$5.3	$145.6	3.6%	27.5 to 1
Wyoming	$258	$4.6	$24.0	19.2%	5.2 to 1

Campaign for Tobacco-Free Kids, November 24, 2014 / Lorna Schmidt

More information on tobacco company marketing is available at http://www.tobaccofreekids.org/facts_issues/fact_sheets/toll/tobacco_kids/marketing/.

More state information relating to tobacco use is available at http://www.tobaccofreekids.org/facts_issues/key_issues/.

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[†] Annual spending is estimated, not confirmed by state health department

COMPREHENSIVE TOBACCO PREVENTION AND CESSATION PROGRAMS EFFECTIVELY REDUCE TOBACCO USE

Tobacco control programs play a crucial role in the prevention of many chronic conditions such as cancer, heart disease, and respiratory illness. Comprehensive tobacco prevention and cessation programs prevent kids from starting to smoke, help adult smokers quit, educate the public, the media and policymakers about policies that reduce tobacco use, address disparities, and serve as a counter to the ever-present tobacco industry.

Recommendations for state tobacco prevention and cessation programs are best summarized in the Centers for Disease Control and Prevention's (CDC) *Best Practices for Comprehensive Tobacco Control Programs*. In this guidance document, CDC recommends that states establish tobacco control programs that are comprehensive, sustainable, and accountable and include state and community interventions, public education interventions, cessation programs, surveillance and evaluation and administration and management.[1]

The empirical evidence regarding the effectiveness of comprehensive tobacco prevention and cessation programs is vast and growing. There is more evidence than ever before that tobacco prevention and cessation programs work to reduce smoking, save lives and save money. The 2014 Surgeon General Report, *"The Health Consequences of Smoking – 50 Years of Progress"*, calls for a number of specific actions, including: "Fully funding comprehensive statewide tobacco control programs at CDC recommended levels."[2] The report also notes that, "*States that have made larger investments in comprehensive tobacco control programs have seen larger declines in cigarettes sales than the nation as a whole, and the prevalence of smoking among adults and youth has declined faster, as spending for tobacco control programs has increased."* Importantly, the Report finds that long term investment is critical. It states*, "Experience also shows that the longer the states invest in comprehensive tobacco control programs, the greater and faster the impact."*

In addition, the *Community Preventive Services Task Force*, an independent expert advisory committee created by CDC, found "strong evidence" that comprehensive tobacco control programs reduce the prevalence of tobacco use among adults and young people, reduce tobacco product consumption, increase quitting, and contribute to reductions in tobacco-related diseases and deaths. The evidence also indicates that comprehensive tobacco control programs are cost-effective, and savings from averted healthcare costs exceed intervention costs.[3]

In 2007, the Institute of Medicine and the President's Cancer Panel issued landmark reports that concluded there is overwhelming evidence that comprehensive state tobacco control programs substantially reduce tobacco use and recommended that every state fund such programs at CDC-recommended levels.[4] In addition, the 2012 annual report to the nation on cancer found that death rates from lung cancer have dropped among women and attributed this decline to "strong, long-running, comprehensive tobacco control programs."[5]

Data from numerous states that have implemented programs consistent with CDC guidelines show significant reductions in youth and adult smoking. The most powerful evidence, however, comes from national studies that look across states and control for as many of the relevant confounding factors as possible. These rigorous studies consistently show effects of tobacco prevention and cessation programs.

A study published in the *American Journal of Public Health*, examined state tobacco prevention and cessation funding levels from 1995 to 2003 and found that the more states spent on these programs, the larger the declines they achieved in adult smoking, even when controlling for other factors such as increased tobacco prices. The researchers also calculated that if every state had funded their programs at the levels recommended by the CDC during that period, there would have been between 2.2 million and 7.1 million fewer smokers in the United States by 2003.[6] The Campaign for Tobacco-Free Kids estimates that such smoking declines would have saved between 700,000 and 2.2 million lives as well as between $20 billion and $67 billion in health care costs.

The study described above adds to earlier research, using similar methods, which demonstrated the same type of relationship between program spending and youth smoking declines. A 2005 study concluded that if every state had spent the minimum amount recommended by the CDC for tobacco prevention, youth smoking rates nationally would have been between three and 14 percent lower during the study period, from 1991 to 2000. Further, if every state funded tobacco prevention at CDC minimum levels, states would prevent nearly two million kids alive today from becoming smokers, save more than 600,000 of them from premature, smoking-caused deaths, and save $23.4 billion in long-term, smoking-related health care costs.[7]

A 2003 study published in the *Journal of Health Economics* found that states with the best funded and most sustained tobacco prevention programs during the 1990s – Arizona, California, Massachusetts and Oregon – reduced cigarette sales more than twice as much as the country as a whole (43 percent compared to 20 percent). This study, the first to compare cigarette sales data from all the states and to isolate the impact of tobacco control program expenditures from other factors that affect cigarette sales, demonstrates that the more states spend on tobacco prevention, the greater the reductions in smoking, and the longer states invest in such programs, the larger the impact. The study concludes that cigarette sales would have declined by 18 percent instead of nine percent between 1994 and 2000 had all states fully funded tobacco prevention programs.[8]

A 2013 study published in the *American Journal of Public Health,* which examined the impact of well-funded tobacco prevention programs, higher cigarette taxes and smoke-free air laws, found that each of these tobacco control policies contributed to declines in youth smoking between 2002 and 2008. The study also found that states could achieve far greater gains if they more fully implemented these proven strategies. For example, the study found that a doubling of cumulative funding for tobacco prevention programs would reduce current youth smoking by 4 percent.[9]

An earlier study, published in the *American Journal of Health Promotion* provides further evidence of the effectiveness of comprehensive tobacco control programs and tobacco control policies. The study's findings suggest that well-funded tobacco control programs combined with strong tobacco control policies increase cessation rates. Quit rates in communities that experienced both policy and programmatic interventions were higher than quit rates in communities that had only experienced policy interventions (excise tax increases or secondhand smoke regulations). This finding supports the claim that state-based tobacco control programs can accelerate adult cessation rates in the population and have an effect beyond that predicted by tobacco-control policies alone.[10]

Data from numerous states provide additional evidence of the effectiveness of comprehensive tobacco prevention and cessation programs. States that have implemented comprehensive programs have achieved significant reductions in tobacco use among both adults and youth. The experiences in states from around the country who have invested in comprehensive prevention programs establish the following key points:

- When adequately funded, comprehensive state tobacco prevention programs quickly and substantially reduce tobacco use, save lives, and cut smoking-caused costs.
- State tobacco prevention programs must be insulated against the inevitable attempts by the tobacco industry to reduce program funding and otherwise interfere with the programs' successful operation.
- The programs' funding must be sustained over time both to protect initial tobacco use reductions and to achieve further cuts.
- When program funding is cut, progress in reducing tobacco use erodes, and the state suffers from higher levels of smoking and more smoking-caused deaths, disease, and costs.

Unfortunately, many states faced with budget difficulties have recently made the penny-wise but pound-foolish decision to slash the funding of even the most effective tobacco control programs, which will cost lives and money.[*]

Program Success – California

In 1988, California voters approved Proposition 99, a ballot initiative that increased state cigarette taxes by 25 cents per pack, with 20 percent of the new revenues (over $100 million per year) earmarked for health education against tobacco use. California launched its new Tobacco Control Program in Spring 1990. Despite increased levels of tobacco marketing and promotion, a major cigarette price cut in 1993, tobacco company interference with the program, and periodic cuts in funding, the program has still reduced tobacco use and its attendant devastation substantially.

- California's comprehensive approach has reduced adult smoking significantly. Adult smoking declined by 49 percent from 1988 to 2011, from 23.7 percent to 12.0 percent.[11]

- Between 2000 and 2012, smoking prevalence among high school students decreased by more than 50 percent, from 21.6 percent to 10.5 percent.[12]

- A 2013 study published in *PLOS ONE* found that California's program helped reduce the number of cigarette packs sold by approximately 6.8 billion. According to the study's authors, the new research shows that tobacco control program funding is directly tied to reductions in smoking rates and cigarette consumption per smoker, generating significant savings in health care expenditures. In fact, the study found that that between 1989 and 2008 California's tobacco control program reduced health care costs by $134 billion, far more than the $2.4 billion spent on the program.[13]

- A recent study in the *Journal of the American Medical Association* demonstrates that California reduced overall smoking and high intensity smoking much faster than the rest of the country. Researchers suggest that the Tobacco Control Program's focus on changing social norms has both reduced initiation and increased cessation.[14]

- Between Fiscal Year 1989-90 and Fiscal Year 2006-07, per capita cigarette consumption in California declined by 61 percent, compared to just 41 percent for the country as a whole, during this same time period.[15] Even after the tobacco industry's successful efforts to reduce the state's tobacco prevention funding, cigarette consumption still declined more in California than in the rest of the country.[16]

- In the 10 years following the passage of Proposition 99, adult smoking in California declined at twice the rate it declined in the previous decade.[17]

- Lung cancer rates in California decreased by 33 percent from 1988 to 2011, while rates in the rest of the U.S. decreased only 11 percent from 1988 to 2009.[18] Researchers have associated the declines in lung cancer rates with the efforts of California's program.[19]

- A study published in the *American Journal of Public Health* found that the California anti-tobacco media campaign reduced sales of cigarettes by 232 million packs between the third quarter of 1990 and the fourth quarter of 1992. This reduction was independent of the decreases in consumption brought about by the tax increase.[20]

The California tobacco control program produced much larger smoking reductions in the early years, when it was funded at its highest levels, than during subsequent years, when the state cut its funding.

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[*] This factsheet focuses on the extensive public health benefits obtained by state tobacco prevention programs. Other Campaign factsheets show that these programs also reduce smoking-caused costs, including those incurred by state Medicaid programs. See, e.g., TFK Factsheet, *Return on Investment from State Tobacco Prevention and Cessation Programs* http://www.tobaccofreekids.org/research/factsheets/pdf/0370.pdf.

For example, when California cut the program's funding in the mid 1990s, its progress in reducing adult and youth smoking rates stalled, but it got back on track when program funding was partially restored.[21]

Program Success – New York

New York began implementing a comprehensive state tobacco control program in 2000 with funds from the Master Settlement Agreement and revenue from the state cigarette tax. As the data below demonstrate, New York's comprehensive approach is working. While declines in youth smoking nationally have slowed, New York's rates continue to decline steadily. New York has also seen a decline in adult smoking, some of which is the result of the state's success in preventing youth from starting to smoke.

- Between 2000 and 2012, smoking among middle school students declined by 69.6 percent, (from 10.2% to 3.1%), and smoking among high school students declined by 56 percent, (from 27.1% to 11.9%). These declines translate into more than 168,000 fewer youth smokers in the state.[22]

- Between 2000 and 2009, adult smoking declined by 16 percent among all adults, from 21.6 percent to 18.0 percent, and by 30 percent among young adults, from 33 percent to 23.1 percent. The New York State Department of Health estimates that approximately 35 percent of the total decline in adult smoking is attributable to youth prevention strategies and that the significant reduction in smoking among young adults will reduce future health care costs by approximately $5 billion.[23]

- More recent data indicate that New York is continuing to make progress in reducing adult smoking rates. According to the Behavioral Risk Factor Surveillance System, in 2010, adult smoking in New York was down to 15.5 percent.[24]

Program Success – Florida

In 2006, Florida voters overwhelmingly approved a Constitutional Amendment to allocate a percentage of funds from the tobacco Master Settlement Agreement to a statewide tobacco prevention and cessation program. Tobacco Free Florida (TFF) is a statewide program that focuses on youth prevention and helping smokers quit. Based on Best Practices from the Centers for Disease Control and Prevention (CDC), TFF combines a public awareness media campaign with community-based interventions and help and encouragement for smokers to quit. Like other states that have implemented programs consistent with CDC Best Practices, Florida has experienced significant reductions in youth and adult smoking. Since TFF began receiving funding in 2007, it has had a dramatic impact on the health of Floridians:

- Adult smoking rates have declined by 18.6 percent, from 21.0 percent in 2006 to 17.1 percent in 2010.[25]

- High school smoking rates have declined by more than 50 percent, from 15.5 percent in 2006 to 7.5 percent in 2014. Middle school smoking rates have declined by nearly two-thirds, from 6.6 percent to 2.3 percent.[26]

Program Success – Washington

The Washington State Tobacco Prevention and Control program was implemented in 1999 after the state Legislature set aside money from the Master Settlement Agreement to create a Tobacco Prevention and Control Account. Tobacco prevention and control received additional funds in 2001 when the state's voters passed a cigarette tax increase that dedicated a portion of the new revenue to tobacco prevention and cessation.

- Since the tobacco control program was implemented, Washington has reduced the adult smoking rate by about one-third, from 22.4 percent in 1999 to 15.2 percent in 2010.[27] Washington's tobacco prevention efforts have also cut youth smoking rates in half, saving additional lives and dollars.[28]

According to a recent study, Washington's comprehensive program is working and is not only responsible for fewer Washingtonians suffering and dying from tobacco-related diseases, but also saving money by reducing tobacco-related health care costs. According to the new study, the state's comprehensive tobacco prevention and cessation program has prevented 13,000 premature deaths and nearly 36,000 hospitalizations, saving about $1.5 billion in health care costs. The study found that for every dollar spent by the state on tobacco prevention in the last ten years, the state saved more than $5 in reduced hospitalization costs. [29]

An earlier study in CDC's peer-reviewed journal, *Preventing Chronic Disease*, found that although Washington made progress in implementing tobacco control policies between 1990 and 2000, smoking prevalence did not decline significantly until after substantial investment was made in the state's comprehensive tobacco control program.[30]

Program Success – Maine

In 1997, Maine increased its cigarette excise tax and used a portion of those funds to establish a comprehensive tobacco prevention program known as the Partnership for a Tobacco-Free Maine. Maine has subsequently augmented its program with proceeds from the 1998 state tobacco settlement, which also resulted in a further increase in cigarette prices (the state also raised cigarette taxes again in 2001, to $1.00 per pack, and in 2005 to $2.00 per pack). Prior to launching this effort, Maine had one of the highest youth smoking rates in the country.

- Smoking among Maine's high school students declined a dramatic 61 percent between 1997 and 2013, falling from 39.2 percent to 12.8 percent. (Nationally, smoking among high school students declined by 50% over this same time period.)[31]

Program Success – North Dakota

On November 4, 2008, North Dakota voters approved a ballot measure to allocate some of the state's tobacco settlement to the state's tobacco prevention and cessation program at the CDC-recommended level. Since the program was implemented with higher funding levels, North Dakota has reduced tobacco use among both children and adults.

- From 2009 to 2013, smoking among North Dakota's high school students fell 15 percent, from 22.4 percent to 19 percent.[32]

- Adult smoking declined from 18.6 percent in 2009 to 17.4 percent in 2010.[33]

Program Success – Massachusetts

In 1992, Massachusetts voters approved a referendum that increased the state cigarette tax by 25 cents per pack. Part of the new tax revenues was used to fund the Massachusetts Tobacco Control Program (MTCP), which began in 1993. As in California, the program achieved considerable success until its funding was cut by more than 90 percent in 2003. Data demonstrate that the program was successful in reducing tobacco use among both children and adults.

- Massachusetts cigarette consumption declined by 36 percent between 1992 and 2000, compared to a decrease of just 16 percent in the rest of the country (excluding California).[34]

- From 1995 to 2001, current smoking among Massachusetts high school students dropped by 27 percent (from 35.7 percent to 26 percent), while the nationwide rate dropped by 18 percent (34.8 percent to 28.5 percent)[35]

- Between 1993 and 2000, adult smoking prevalence dropped from 22.6 percent to 17.9 percent, resulting in 228,000 fewer smokers.[36] Nationally, smoking prevalence dropped by just seven percent over this same time period.[37]

- Between 1990 and 1999, smoking among pregnant women in Massachusetts declined by more than 50 percent (from 25 percent to 11 percent). Massachusetts had the greatest percentage decrease of any state over the time period (the District of Columbia had a greater percent decline).[38]

Despite the considerable success achieved in Massachusetts, funding for the state's tobacco prevention and cessation program was cut by 95 percent – from a high of approximately $54 million per year to just $2.5 million in FY2004, although funding for the program has increased slightly in recent years. These drastic reductions in the state's investments to prevent and reduce tobacco use will translate directly into higher smoking rates, especially among kids, and more smoking-caused disease, death, and costs. In fact, a study released by the Massachusetts Association of Health Boards shows that the Massachusetts program funding cuts have already been followed by an alarming increase in illegal sales of tobacco products to children.[39]

- Between 2002 and 2003, cigarette sales to minors increased by 74 percent, from eight percent to 13.9 percent in communities that lost a significant portion of their enforcement funding.

- Over the same time period, cigarette sales to minors increased by 98 percent in communities that lost all of their local enforcement funding.

- Between 1992 and 2003, per capita cigarette consumption declined at a higher rate in Massachusetts as it did in the country as a whole (47 percent v. 28 percent). However, from 2003 to 2006, Massachusetts' per capita cigarette consumption declined a mere seven percent (from 47.5 to 44.1 packs per capita), while the U.S. average cigarette consumption declined by ten percent (from 67.9 to 61.1 packs per capita). Most recently, between 2005 and 2006, Massachusetts' per capita cigarette consumption *increased* by 3.2 percent (from 42.7 to 44.1 packs per capita), while nationwide, per capita consumption *declined* by 3.5 percent (from 63.3 to 61.1 packs per capita).[40]

Program Success – Alaska

Alaska's tobacco control program began in 1994, and the state made its first investment in tobacco prevention with funds from the Master Settlement Agreement in 1999. In the following years, Alaska increased its annual investment, reaching a high of $10.9 million in state funding in 2013.[41] The state's comprehensive tobacco control efforts have led to significant reductions in youth and adult smoking rates.

- From 1998 to 2010, adult smoking rates declined 21.8 percent (from 26.1% to 20.4%).[42]

- High school youth smoking has declined more than 70 percent since 1995 (from 36.5% to 10.6% in 2013). This translates into more than 10,800 fewer youth smokers today than in 1995.[43]

Campaign for Tobacco-Free Kids, November 25, 2014 / Meg Riordan

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STATE TOBACCO PREVENTION AND CESSATION PROGRAMS SAVE MONEY

It is well established that comprehensive statewide tobacco-prevention and cessation programs prompt sharp reductions in smoking levels among both adults and kids by both increasing the numbers who quit or cutback and reducing the numbers who start or relapse.* As shown by the experience of those states that already have comprehensive tobacco-prevention programs, these smoking reductions save thousands of people from suffering from the wide range of smoking-caused illnesses and other health problems. Recent research indicates that tobacco prevention and cessation programs not only reduce smoking and save lives, but also save money by reducing tobacco-related health care costs.

Cost Savings From Established State Tobacco Prevention and Cessation Programs

- A recent study in the *American Journal of Public Health* found that for every dollar spent by Washington State's tobacco prevention and control program between 2000 and 2009, more than five dollars were saved by reducing hospitalizations for heart disease, stroke, respiratory disease and cancer caused by tobacco use.[1] Over the 10-year period, the program prevented nearly 36,000 hospitalizations, saving $1.5 billion compared to $260 million spent on the program. The 5-to-1 return on investment is conservative because the cost savings only reflect the savings from prevented hospitalizations. The researchers indicate that the total cost savings could more than double if factors like physician visits, pharmaceutical costs and rehabilitation costs were included.
- A 2013 study published in *PLOS ONE* found that between 1989 and 2008 California's tobacco control program reduced health care costs by $134 billion, far more than the $2.4 billion spent on the program. Researchers attribute these savings to reductions in smoking rates and cigarette consumption per smoker, generating significant savings in health care expenditures.[2] This study builds on previous research which found that for every dollar the state spent on its tobacco control program from 1989 to 2004, the state received as much as fifty dollars in health care cost savings in the form of sharp reductions to total healthcare costs in the state.[3]
- Earlier research from California suggests that California's tobacco-control program secured substantial savings over the first seven years of its operation just from reducing smoking-affected births and smoking-caused heart attacks and strokes. Taken together, these savings more than covered the entire cost of the state's program over that time period and produced even larger savings in the following years. For every single dollar the state had been spending on the California program, it was reducing statewide healthcare costs by more than $3.60.[4]
- A study of Arizona's tobacco prevention program found that the cumulative effect of the program was a savings of $2.3 billion between 1996 and 2004, which amounted to about ten times the cost of the program over the same time period.[5]
- A report on the early investments in Massachusetts' comprehensive tobacco prevention program found that during its early years, the state's program was reducing statewide healthcare costs by $85 million per year – which means the state was annually reducing smoking-caused health care costs by at least two dollars for every single dollar it invested in its comprehensive tobacco-prevention efforts.[6]
- An August 2008 Australian study found that for every dollar spent on a strong tobacco control program (consisting primarily of aggressive anti-smoking television ads along with telephone quitlines and other support services to help smokers quit), the program reduced future healthcare costs by $70 over the lifetimes of the persons the program prompted to quit. This savings estimate was based on the study's finding that for every 10,000 smokers who quit because of the tobacco control program, more than 500 were saved from lung cancer, more than 600 escaped having heart attacks, at least 130 avoid suffering

* For extensive examples of real-world adult and youth smoking declines in states that have already initiated statewide tobacco-prevention programs, see TFK Factsheet, *Comprehensive Statewide Tobacco Prevention Programs Effectively Reduce Tobacco Use*, http://www.tobaccofreekids.org/research/factsheets/pdf/0045.pdf, and other related Factsheets at http://www.tobaccofreekids.org/facts_issues/fact_sheets/policies/prevention_us_state/save_lives_money/.

from a stroke, and more than 1700 were prevented from suffering from chronic obstructive pulmonary disease (COPD).[7]

These studies confirm that the cost-saving benefits from sustained investments in effective tobacco control programs quickly grow over time to dwarf the state expenditures, producing massive gains for the state not only in terms of both improved public health and increased worker productivity but in reduced government, business, and household costs.

State Tobacco-Prevention Efforts and State Medicaid Program Savings

Providing comprehensive tobacco cessation benefits for Medicaid beneficiaries has also proven to be a cost-effective investment. A study published recently in *PLoS One* shows that Massachusetts saved more than $3 for every $1 it spent on services to help beneficiaries in the state's Medicaid program quit smoking. The new study, which examined the cost implications from reducing hospital admissions for heart attacks and coronary heart disease, concluded that every $1 that Massachusetts invested in the program yielded $3.12 in savings for cardiovascular-related hospital admissions alone. The study estimates that the reductions in cardiovascular-related hospitalizations translated into net annual savings of about $14.7 million for the state Medicaid program. These are conservative savings as they do not include long-term savings, savings that may occur outside the Medicaid program, or savings beyond hospital admissions.[8]

Earlier studies showed that after Massachusetts implemented comprehensive coverage of tobacco cessation services for all Medicaid beneficiaries, the smoking rate among beneficiaries declined by 26 percent in the first 2.5 years.[9] Among benefit users, there was a 46 percent decrease in hospitalizations for heart attacks and a 49 percent decrease in hospitalizations for cardiovascular disease.[10]

Even Larger Future Savings From Investments in Tobacco Prevention Programs

- The findings of a 2004 study show that if every state funded it tobacco prevention efforts at the minimum amount recommended by the U.S. Centers for Disease Control and Prevention (CDC), just the related declines in *youth* smoking would lock in future reductions in smoking-caused healthcare costs of more than $31 billion.[11] The related declines in adult smoking and in secondhand smoke exposure from the states making these CDC recommended investments in tobacco prevention would lock in tens of billions of dollars in additional smoking-caused cost savings.

- A study published in the journal *Contemporary Economic Policy* found that adequately funded state tobacco-prevention programs could save an astonishing 14 to 20 times the cost of implementing them. These programs save money by reducing tobacco-related Medicaid and other medical costs and productivity costs. Analyzing data from 1991 through 2007, the researchers found that state tobacco control programs have a "sustained and steadily increasing long-run impact" on the demand for cigarettes, which reduces disease and health-care costs. [12]

Campaign for Tobacco-Free Kids, February 15, 2013 / Meg Riordan

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Appendix F

STATE CIGARETTE EXCISE TAX RATES & RANKINGS

Overall All States' Average: $1.54 per pack
Major Tobacco States' Average: 48.5 cents per pack
Other States' Average: $1.68 per pack

State	Tax	Rank
Alabama	**$0.425**	**47th**
Alaska	$2.00	12th
Arizona	$2.00	12th
Arkansas	$1.15	30th
California	**$0.87**	**33rd**
Colorado	$0.84	34th
Connecticut	$3.40	4th
Delaware	$1.60	22nd
DC	$2.50	11th
Florida	$1.339	27th
Georgia	**$0.37**	**48th**
Hawaii	$3.20	5th
Idaho	**$0.57**	**42nd**
Illinois	$1.98	17th
Indiana	$0.995	32nd
Iowa	$1.36	26th
Kansas	**$0.79**	**36th**
Kentucky	$0.60	40th

State	Tax	Rank
Louisiana	**$0.36**	**49th**
Maine	$2.00	12th
Maryland	$2.00	12th
Massachusetts	$3.51	2nd
Michigan	**$2.00**	**12th**
Minnesota	$2.90	7th
Mississippi	$0.68	37th
Missouri	**$0.17**	**51st**
Montana	$1.70	19th
Nebraska	**$0.64**	**38th**
Nevada	**$0.80**	**35th**
New Hampshire	$1.78	18th
New Jersey	$2.70	9th
New Mexico	$1.66	21st
New York	$4.35	1st
North Carolina	$0.45	45th
North Dakota	**$0.44**	**46th**
Ohio	$1.25	29th

State	Tax	Rank
Oklahoma	$1.03	31st
Oregon	$1.31	28th
Pennsylvania	$1.60	22nd
Rhode Island	$3.50	3rd
South Carolina	$0.57	42nd
South Dakota	$1.53	24th
Tennessee	$0.62	39th
Texas	$1.41	25th
Utah	$1.70	19th
Vermont	$2.75	8th
Virginia	$0.30	50th
Washington	$3.025	6th
West Virginia	**$0.55**	**44th**
Wisconsin	$2.52	10th
Wyoming	**$0.60**	**40th**
Puerto Rico	$2.23	NA
Guam	$3.00	NA
Northern Marianas	$1.75	NA

Table shows all cigarette tax rates in effect by January 1, 2015 (MN inflation adjustment on 1/1/2015). Since 2002, 47 states, DC, and several U.S. territories have increased their cigarette tax rates more than 110 times. The states in **bold type** have not increased their cigarette tax since 2004 or earlier. Currently, 30 states, DC, Puerto Rico, the Northern Marianas, and Guam have cigarette tax rates of $1.00 per pack or higher; 15 states, DC, and Guam have cigarette tax rates of $2.00 per pack or higher; six states and Guam have cigarette tax rates of $3.00 per pack or higher; and one state (NY) has a cigarette tax rate more than $4.00 per pack. Tobacco states are KY, VA, NC, SC, GA, and TN. States' average includes DC, but not Puerto Rico, other U.S. territories, or local cigarette taxes. The median tax rate is $1.36 per pack. AK, MI, MN, MS, TX, and UT also have special taxes or fees on brands of manufacturers not participating in the state tobacco lawsuit settlements (NPMs).

The highest combined state-local tax rate is $6.16 in Chicago, IL, with New York City second at $5.85 per pack. Other high state-local rates include Evanston, IL at $5.48 and Bethel, AK at $4.21 per pack. For more on local cigarette taxes, see: http://tobaccofreekids.org/research/factsheets/pdf/0267.pdf.

Federal cigarette tax is $1.01 per pack. From the beginning of 1998 through 2002, the major cigarette companies increased the prices they charge by more than $1.25 per pack (but also instituted aggressive retail-level discounting for competitive purposes and to reduce related consumption declines). In January 2003, Philip Morris instituted a 65-cent per pack price cut for four of its major brands, to replace its retail-level discounting and fight sales losses to discount brands, and R.J. Reynolds followed suit. In the last several years, the major cigarette companies have increased their product prices by almost $1.00 per pack. ***The U.S. Centers for Disease Control & Prevention estimates that smoking-caused health costs total $10.47 per pack sold and consumed in the U.S.***

The average price for a pack of cigarettes nationwide is roughly $6.17 (including statewide sales taxes but not local cigarette or sales taxes, other than NYC's $1.50 per pack cigarette tax), with considerable state-to-state differences because of different state tax rates, and different manufacturer, wholesaler, and retailer pricing and discounting practices. AK, DE, MT, NH & OR have no state retail sales tax at all; OK has a state sales tax, but does not apply it to cigarettes; MN & DC apply a per-pack sales tax at the wholesale level; and AL, GA & MO (unlike the rest of the states) do not apply their state sales tax to that portion of retail cigarette prices that represents the state's cigarette excise tax.

Campaign for Tobacco-Free Kids, December 3, 2014 / Ann Boonn

For additional information see the Campaign's website at http://www.tobaccofreekids.org/what_we_do/state_local/taxes/.

Sources: Orzechowski & Walker, *Tax Burden on Tobacco*, 2013; media reports; state revenue department websites.

Appendix G

STATEWIDE SMOKE-FREE LAWS

State	Smoke-free Restaurants	Smoke-free Freestanding Bars	Smoke-free Workplaces	State	Smoke-free Restaurants	Smoke-free Freestanding Bars	Smoke-free Workplaces
Alabama				Montana	X	X	X
Alaska				Nebraska	X	X	X
Arizona	X	X	X	Nevada	X		X
Arkansas				New Hampshire	X	X	
California	X	X		New Jersey	X	X	X
Colorado	X	X		New Mexico	X	X	
Connecticut	X	X		New York	X	X	X
Delaware	X	X	X	North Carolina	X	X	
Dist. of Columbia	X	X	X	North Dakota	X	X	X
Florida	X		X	Ohio	X	X	X
Georgia				Oklahoma			
Hawaii	X	X	X	Oregon	X	X	X
Idaho	X			Pennsylvania			X
Illinois	X	X	X	Rhode Island	X	X	X
Indiana	X		X	South Carolina			
Iowa	X	X	X	South Dakota	X	X	X
Kansas	X	X	X	Tennessee			
Kentucky				Texas			
Louisiana	X		X	Utah	X	X	X
Maine	X	X	X	Vermont	X	X	X
Maryland	X	X	X	Virginia			
Massachusetts	X	X	X	Washington	X	X	X
Michigan	X	X	X	West Virginia			
Minnesota	X	X	X	Wisconsin	X	X	X
Mississippi				Wyoming			
Missouri							

All data courtesy of The American Nonsmokers' Rights Foundation. (http://www.no-smoke.org/). This list includes states where the law requires 100% smoke-free places in restaurants, bars or non-hospitality workplaces without exemptions.