

The Master Settlement Agreement (MSA) 2

PUBLIC EDUCATION PROGRAM TO REDUCE YOUTH TOBACCO USE

- ⊗ Requires tobacco companies to contribute \$300 million/year for five years (ending 2003) to a newly created National Foundation (the Legacy Foundation) for a public education program to reduce underage tobacco use and educate consumers about the causes and prevention of diseases associated with the use of tobacco products.
- ⊗ Prohibits any use of the National Foundation's public education funds to support ads that vilify the tobacco industry, any of its member companies, or any of its employees (tobacco companies have used this restriction to stop various Legacy Foundation ads).
- ⊗ This funding for public education has now ended; the Legacy Foundation still has funds remaining from the prior-year payments and will continue in operation.

TOBACCO RELATED RESEARCH, LOBBYING, AND FUTURE CLAIMS

- ⊗ Requires tobacco companies to provide the national foundation with \$25 million/year through 2008 to support research concerning tobacco use and other substance abuse.
- ⊗ Dissolves the Tobacco Institute, the Council on Tobacco Research, and the Center for Indoor Air Research, which all served as propaganda tools of the tobacco industry.
- ⊗ Bars any efforts by tobacco companies or their lobbyists to oppose eight specified kinds of new state or local tobacco-control legislation or administrative rules:
 1. restrict youth access to vending machines;
 2. include cigars in definition of tobacco products;
 3. enhance enforcement of laws forbidding sales to youth;
 4. support the use of new technology to enforce age-of-purchase laws;
 5. limit promotions of non-tobacco products that use tobacco products as giveaways;
 6. enforce access restrictions through penalties on youth possession or use;
 7. limit tobacco product advertising or wearing of tobacco logo merchandise in or on school properties; and
 8. limit non-tobacco products designed to look like tobacco products (e.g., candy cigarettes).

Tobacco companies can continue lobbying against any of these measures if they had already begun opposing them prior to the settlement.

- ⊗ Requires that industry documents produced in litigation be placed on the Internet; the industry must maintain the site for ten years; and produce an index to the documents.
- ⊗ The agreement settles all claims the states brought or could have brought against tobacco companies based on tobacco company action taken before the settlement. It also settles all potential claims by states based on the companies' future acts that pertain to the use of or exposure to tobacco products manufactured by the companies, including claims for related health costs. It does not block potential claims based on future actions not related to the use of or exposure to tobacco products; nor lawsuits by Indian tribes or private citizens.

Adapted from *Summary of the Multistate Settlement Agreement (MSA)*, Campaign for Tobacco-Free Kids, July, 2003.

For additional information: <http://www.tobaccofreekids.org/research/factsheets/index.php>