

Montana Tobacco Use Prevention Program Funding

The mission of the Montana Tobacco Use Prevention Program (MTUPP) is to address the public health crisis caused by the use of all forms of commercial tobacco products. MTUPP works to eliminate tobacco use, especially among young people, through statewide programs and policies.

Tobacco Costs and Revenue

Deaths in State Caused by Smoking

Annual average smoking-attributable deaths: 1,600

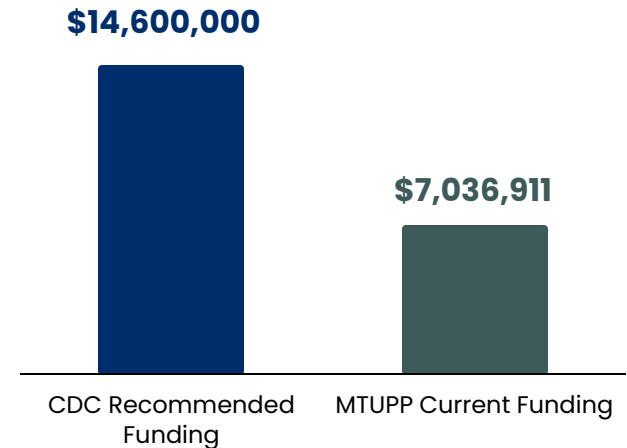
Annual Costs Incurred in State from Smoking

Health care costs in Montana directly caused by smoking: \$511 million
 Medicaid costs caused by smoking in Montana: \$87.2 million

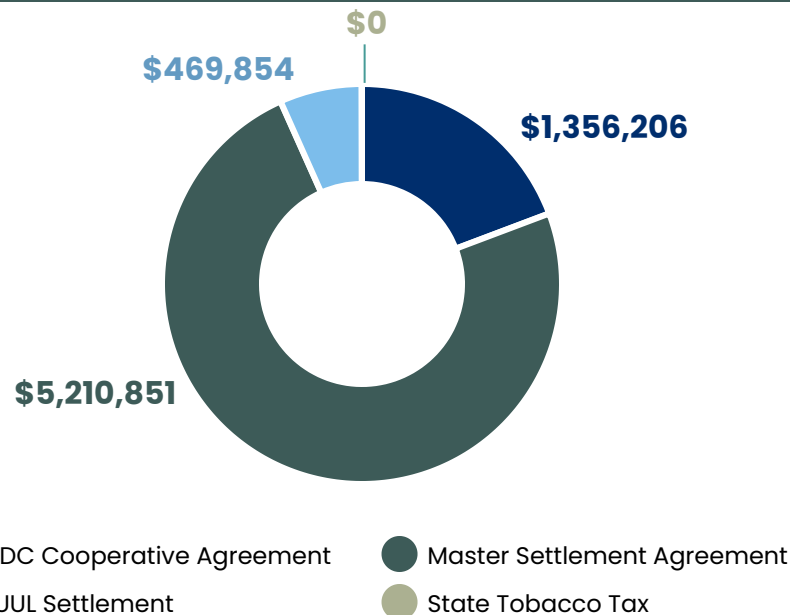
State Revenue from Tobacco Sales and Master Settlement Agreement

FY24 cigarette and tobacco tax revenue: \$60 million
 FY24 Master Settlement Agreement payment: \$27 million
 Total state revenue from tobacco sales and settlement: **\$87 million**

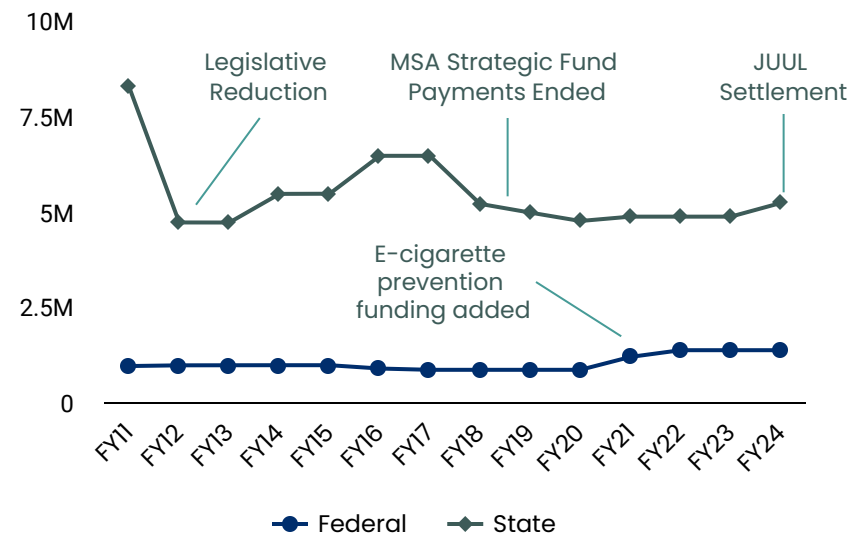
MTUPP Funding vs. CDC Recommended Annual Funding



FY24 MTUPP Funding Sources



MTUPP Funding, FY11 - FY24



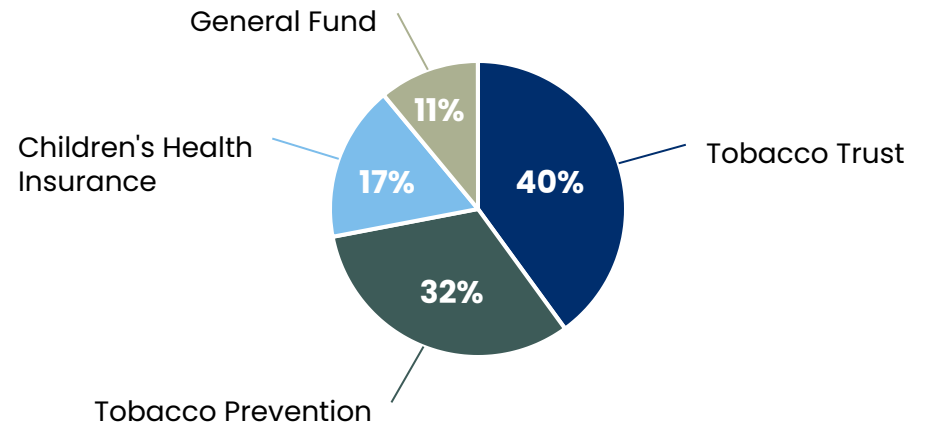
Master Settlement Agreement

The tobacco Master Settlement Agreement (MSA) is an accord reached in November 1998 between the state Attorneys General of 46 states (including Montana), five U.S. territories, the District of Columbia and the four largest cigarette manufacturers in the United States to recover billions of dollars in health care costs associated with treating smoking-related illnesses.

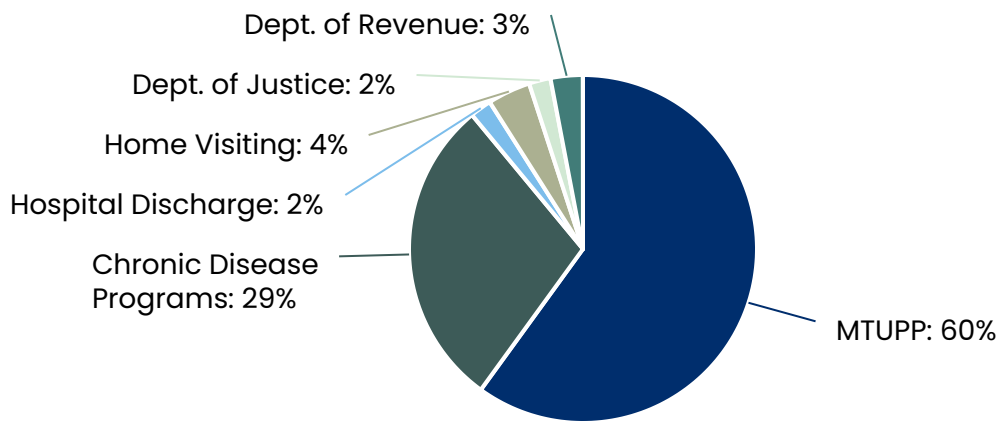
MSA Distribution Overview

Montana receives annual payments in perpetuity as part of the MSA. Prior to 2001, tobacco industry payments went directly into Montana's general fund and were allocated by the Legislature.

In November of 2000, Montana voters approved Constitutional Amendment 35, which dedicated at least 40% of the tobacco settlement to a permanent, income-producing trust fund. Of the interest earned by this trust fund, 90% must be used for health care benefits, services, education programs and tobacco disease prevention. The remaining 10% is reinvested in the trust fund.



I-146 Tobacco Prevention (32%) Estimated Distribution



Initiative 146, approved by the majority (65%) of Montana voters in November 2002 and subsequent legislative changes in 2003, dedicated 32% of the tobacco settlement funds to go toward tobacco prevention programs.

MCA § 17-6-606 Tobacco Settlement Accounts -- purpose -- uses (2) An amount equal to 32% of the total yearly tobacco settlement proceeds received after June 30, 2003, must be deposited in a state special revenue account. Subject to subsection (5), the funds referred to in this subsection may be used only for funding statewide programs for tobacco disease prevention designed to prevent children from starting tobacco use and to help adults who want to quit tobacco use.