In the coming weeks, incumbent and prospective state legislators will begin canvassing Nevada neighborhoods for our support (and votes) later this fall.

When those folks knock on my door, I will have only two questions for them: Do you plan to return Master Settlement Agreement or “tobacco dollars” to their intended use? If not, how do you intend to protect and promote the public’s health in Nevada?

For the past two biennia, state lawmakers have diverted millions of tobacco settlement dollars to the general fund to shore up widening budget shortfalls. Recognizing that the public health community possesses little muscle in Carson City, Governor Gibbons and state legislators of both parties have whacked millions of tobacco dollars earmarked for tobacco control and other vital public health programs in Nevada to pay for education, corrections, and other programs normally supported via the general fund and other revenue streams.

In the mid 1990s, states sued tobacco companies for the cost of health problems caused by the use of tobacco. The suit alleged that the tobacco industry had violated consumer protection and antitrust laws, withheld information about the adverse health effects of tobacco, manipulated nicotine levels to keep smokers addicted, and conspired to keep less risky and less addictive products out of the market.

In 1998, 46 US states and the District of Columbia negotiated and signed a Master Settlement Agreement with four of the largest tobacco companies, who agreed to make annual payments to the states in perpetuity as reimbursement for past tobacco-related public health and health care costs. Over the first 25 years of the agreement, settlement funds or “tobacco dollars” are expected to total nearly $250 billion. Nevada’s projected slice of the action is nearly $2 billion.

It’s important to note that the 46 states receiving settlement dollars have used those funds in 46 different ways. Indeed, states are free to use those dollars in just about any manner they see fit.

Nonetheless, the intent of the settlement was for states to recover tobacco-related costs to state governments and, secondly, to fund programs historically shortchanged by state spending on tobacco-related diseases and disability. For example, an estimated 25 percent of Nevada Medicaid expenditures are for smoking-related illnesses among program beneficiaries – that is to say, millions of dollars that could otherwise be spent on school books or roads or any other
state priority. States also promised to use a significant portion of tobacco dollars to attack the
enormous problem posed by tobacco by funding state and local tobacco control, prevention,
and cessation efforts.

Tobacco dollars were never intended to balance state budgets and square repeated general
fund shortfalls. Nor, for that matter, were tobacco dollars primarily intended to be used for
Millennium Scholarships and the myriad of otherwise laudable projects developed by states
since the agreement was signed.

First and foremost, settlement payments were to be used by states to improve the public’s
health and to address the toll of tobacco-related death and disability on the public’s wallet.

In a perfect world, the new Governor and the next legislature would restore Nevada’s allocation
of settlement dollars to public health programs that were established by the legislature in 2001
– those programs have been eviscerated over the past five years and the settlement-supported
Trust Fund for Public Health no longer exists in any meaningful sense of the term.

In that same perfect world, lawmakers would also raise the level of MSA-supported funding for
tobacco control and prevention to a level no less than the minimum amount recommended by
the Centers for Disease Control and Prevention to support an effective tobacco control and
prevention program – Nevada currently spends a paltry 11 percent of the minimum CDC-
recommended amount for tobacco control and prevention despite the fact that one-in-five
adult Nevadans currently smokes.

Alas, the world we live in is Nevada – imperfect like any other state in the union, but one
bedeviled by numerous public health deficits and public health disasters waiting to happen.
Adding insult to injury, our public leaders have squandered a historic opportunity to protect
and promote the public’s health in Nevada by using tobacco settlement dollars on everything
but public health.

As the political season approaches, I encourage Nevadans to ask the same two questions I will
be posing to any lawmaker seeking my vote in November. Answers to these questions will say a
great deal about where they stand on matters of public health and the quality of life they
envision for Nevada.

John Packham, PhD is Director of Health Policy Research at the University of Nevada School of
Medicine and Past President of the Nevada Public Health Association.