

Alaska State Legislature

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FOR IMMEDIATE RELEASE: Jan. 15, 2002

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Bunde Sets Record Straight on Tobacco Funds **20 Percent of Settlement Proceeds Going to Fight Youth Smoking**

(JUNEAU) – Claims from the tobacco industry and others that states aren't spending enough of a \$206 billion settlement on anti-smoking efforts don't hold water in Alaska, Rep. Con Bunde (R-Anchorage), said today.

"Those who claim Alaska is spending only 10 percent or less of its settlement money on tobacco cessation and prevention are just blowing smoke," said Bunde. As vice chair of the House Finance Committee, Bunde pushed successfully for last session's law guaranteeing 20 percent of the proceeds from Alaska's share of the settlement - about \$6 million each year - is set aside to fund such efforts.

"In passing House Bill 234, the Legislature took the necessary action to make sure that a significant portion of the proceeds from this settlement go to programs that are already succeeding in keeping kids from starting a destructive lifelong habit," he said. Under the bill, the remaining proceeds are used for school construction.

In 1998, Alaska was one of 46 states that won settlement of a landmark class-action lawsuit against tobacco manufacturers, which agreed to pay \$206 billion over several years to compensate states for the cost of treating tobacco-related diseases. On Thursday, as industry giant Phillip Morris paid out \$2 billion as its most recent installment, it criticized states for not spending enough of the money on anti-smoking efforts.

News reports of the action have cited Gov. Tony Knowles as claiming prime responsibility for directing Alaska's share of the settlement funds to anti-smoking programs. The governor also understated by half the percentage of settlement revenue going to such efforts, and then claimed to want to double it. In fact, the governor was among those pushing last session to divert even more tobacco money to school construction, prompting the Legislature to protect its 20 percent allocation by writing it into state law, Bunde said.

"I welcome the governor's public support of the Legislature's achievements in giving Alaskans the financial resources to protect young Alaskans from the scourge of tobacco," Bunde said. "But the record shows that it is the Legislature that has gone beyond rhetoric to achieve real progress in funding anti-tobacco efforts."

Bunde has long been a champion in Alaska among those concerned with the public health and economic impacts of tobacco use on the state, in part for his high-profile leadership in passing a \$1 dollar per pack tax on tobacco products in Alaska in 1997.

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