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VERMONT ATTORNEY GENERAL ANNOUNCES TOBACCO SETTLEMENT

Attorney General William Sorrell announced at a press conference today that he has decided to accept the proposed negotiated settlement and proceed to formal settlement of the state's lawsuits against the tobacco industry. Joined by Health Commissioner Dr. Jan Carney, representatives of the American Cancer Society, the Campaign for Tobacco Free Kids and the Vermont Medical Society, Sorrell hailed the settlement as "a step, but a very important step in the battles to reduce Americans' consumption of tobacco products and to hold the industry accountable for lying about the addictive qualities of nicotine and targeting sales to youth."

Under the proposed settlement, Vermont stands to recover approximately eight hundred million dollars over the next twenty-five years. "Experts have calculated that Vermont's annual Medicaid expenditures to treat tobacco-caused illnesses are approximately thirty million dollars. By accepting this proposal, Vermont will receive on average more than thirty million dollars per year in perpetuity," said the Attorney General. "Now it will be up to the Legislature to decide how these monies are to be spent. It would be a shame not to use the funds to make serious progress in helping Vermonters currently addicted to stop smoking and to do a better job convincing young Vermonters not to smoke," added the Attorney General.

Sorrell expressed his hope that the Congress will again take up tobacco issues when it reconvenes after the first of the year. "It is my hope and the hope of many others that our elected representatives in the nation's capital will promptly consider and pass legislation specifically giving the Food and Drug Administration authority to regulate tobacco and its contents. Further, the industry should be required to thoroughly disclose the ingredients in its products and more clearly warn consumers about the health effects of cigarettes and smokeless tobacco," said Attorney General Sorrell.

The agreement includes restrictions on the industry's use of cartoon characters in its advertising, and limitations on its sponsorship of athletic and entertainment events and its distribution of merchandise bearing tobacco brand names. "I had hoped that through the negotiation process we would have been more successful in winning broader changes in the industry's business practices. The negotiations were long and hard. The industry was unwilling to concede more than it has. It is time to reap the advantages of this agreement and take the battle to other fronts," Sorrell said.

The Attorney General thanked Vermont's public health community, members of his staff, legislators, especially Senators Dick Sears of Bennington County and Helen Riehle of

Chittenden County and Representatives Tom Costello of Brattleboro, Paul Poirier of Barre, Ann Seibert of Norwich and the many others who have worked for so many years to combat what he termed "the greatest avoidable public health problem confronting our state and nation today".

Vermont's first payments totaling approximately thirty-five million dollars will be received no later than at the end of June, 2000.