



UNADJUSTED BASE PAYMENTS TO THE STATES FROM THE TOBACCO SETTLEMENTS (Millions of Dollars)

In 1997 and 1998, Mississippi, Florida, Texas, and Minnesota negotiated their own, individual agreements to settle their lawsuits against the major cigarette companies. The rest of the states, DC, and the U.S. territories then settled with the cigarette companies through the Master Settlement Agreement (MSA) in November 1998. All the settlements called for annual payments from the settling cigarette companies to the states. As set forth in the tobacco settlement agreements, the unadjusted base-payment amounts allocated to the states through the settlements are each year subject to a downward volume adjustment (based on declines in the sales of the top-four U.S. cigarette companies: the original participating manufacturers) and to an upward inflation adjustment (equal to 3% or the actual rate of inflation for each year, whichever is highest, compounded) and, in rare situations, other adjustments, before the actual amount owed by the cigarette companies to each state is determined. For information on actual payments to date, see the TFK factsheet, *Actual Payments to the States From the Tobacco Settlements* at <http://www.tobaccofreekids.org/research/factsheets/pdf/0365.pdf>. As shown below, a significant decline in the base settlement payments to the states from 2003 to 2004 was built into the MSA before it was signed.

State	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008-17	2018 On
Alabama		38.8	103.6	111.9	134.4	135.6	113.2	113.2	113.2	113.2	121.9	129.4
Alaska		8.2	21.9	23.6	28.4	28.7	23.9	23.9	23.9	23.9	39.1	27.3
Arizona		35.4	94.5	102.0	122.5	123.7	103.2	103.2	103.2	103.2	131.6	118.0
Arkansas		19.9	53.1	57.3	68.8	69.5	58.0	58.0	58.0	58.0	65.6	66.3
California		306.3	818.4	883.7	1,061.1	1,071.1	894.0	894.0	894.0	894.0	956.3	1,021.6
Colorado		32.9	87.9	94.9	114.0	115.0	96.0	96.0	96.0	96.0	118.2	109.7
Connecticut		44.6	119.0	128.5	154.3	155.8	130.0	130.0	130.0	130.0	161.1	148.6
Delaware		9.5	25.4	27.4	32.9	33.2	27.7	27.7	27.7	27.7	34.7	31.7
DC		14.6	38.9	42.0	50.5	50.9	42.5	42.5	42.5	42.5	49.9	48.6
Florida	550.0	343.5	712.1	739.6	822.1	590.3	440.0	440.0	440.0	440.0	440.0	440.0
Georgia		58.9	157.4	169.9	204.0	206.0	171.9	171.9	171.9	171.9	183.4	196.5
Hawaii		14.4	38.6	41.7	50.0	50.5	42.2	42.2	42.2	42.2	63.3	48.2
Idaho		8.7	23.3	25.2	30.2	30.5	25.4	25.4	25.4	25.4	32.4	29.1
Illinois		111.7	298.4	322.2	386.9	390.6	326.0	326.0	326.0	326.0	355.8	372.5
Indiana		49.0	130.8	141.2	169.6	171.2	142.9	142.9	142.9	142.9	168.5	163.3
Iowa		20.9	55.8	60.2	72.3	73.0	60.9	60.9	60.9	60.9	85.5	69.6
Kansas		20.0	53.5	57.7	69.3	70.0	58.4	58.4	58.4	58.4	75.5	66.7
Kentucky		42.3	112.9	121.9	146.4	147.8	123.4	123.4	123.4	123.4	132.3	141.0
Louisiana		54.1	144.6	156.2	187.5	189.3	158.0	158.0	158.0	158.0	183.7	180.5
Maine		18.5	49.3	53.3	64.0	64.6	53.9	53.9	53.9	53.9	66.4	61.6
Maryland		54.3	144.9	156.5	187.9	189.7	158.3	158.3	158.3	158.3	189.8	180.9
Massachusetts		96.9	259.0	279.6	335.8	338.9	282.9	282.9	282.9	282.9	329.9	323.3
Michigan		104.4	279.0	301.3	361.8	365.2	304.8	304.8	304.8	304.8	333.0	348.3
Minnesota	250.0	332.8	367.3	380.1	418.3	297.3	214.0	214.0	214.0	214.0	204.0	204.0
Mississippi	231.8	109.7	221.7	230.2	255.7	183.2	136.0	136.0	136.0	136.0	136.0	136.0
Missouri		54.6	145.8	157.5	189.1	190.9	159.3	159.3	159.3	159.3	175.8	182.1
Montana		10.2	27.2	29.4	35.3	35.6	29.8	29.8	29.8	29.8	39.3	34.0

Unadjusted Base Tobacco Settlement Payments to the States / 2

State	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008-17	2018 On
Nebraska		14.3	38.1	41.2	49.5	49.9	41.7	41.7	41.7	41.7	49.0	47.6
Nevada		14.6	39.1	42.2	50.7	51.2	42.7	42.7	42.7	42.7	52.4	48.8
New Hampshire		16.0	42.7	46.1	55.4	55.9	46.6	46.6	46.6	46.6	55.3	53.3
New Jersey		92.8	247.9	267.7	321.5	324.5	270.8	270.8	270.8	270.8	300.7	309.5
New Mexico		14.3	38.2	41.3	49.6	50.0	41.8	41.8	41.8	41.8	51.2	47.7
New York		306.3	818.3	883.6	1,060.9	1,071.0	893.9	893.9	893.9	893.9	958.8	1,021.5
North Carolina		56.0	149.5	161.5	193.9	195.7	163.4	163.4	163.4	163.4	183.3	186.7
North Dakota		8.8	23.5	25.3	30.4	30.7	25.6	25.6	25.6	25.6	41.1	29.3
Ohio		120.9	323.0	348.8	418.8	422.7	352.8	352.8	352.8	352.8	383.8	403.2
Oklahoma		24.9	66.4	71.7	86.1	87.0	72.6	72.6	72.6	72.6	100.9	82.9
Oregon		27.5	73.6	79.5	95.4	96.3	80.4	80.4	80.4	80.4	102.8	91.9
Pennsylvania		137.9	368.5	397.9	477.8	482.3	402.5	402.5	402.5	402.5	438.5	460.0
Rhode Island		17.3	46.1	49.8	59.8	60.3	50.4	50.4	50.4	50.4	60.8	57.5
South Carolina		28.2	75.4	81.4	97.8	98.7	82.4	82.4	82.4	82.4	95.5	94.2
South Dakota		8.4	22.4	24.2	29.0	29.3	24.4	24.4	24.4	24.4	31.4	27.9
Tennessee		58.6	156.5	169.0	202.9	204.8	171.0	171.0	171.0	171.0	180.9	195.4
Texas	378.0	201.0	326.3	362.5	471.3	471.3	580.0	580.0	580.0	580.0	580.0	580.0
Utah		10.7	28.5	30.8	37.0	37.3	31.2	31.2	31.2	31.2	47.5	35.6
Vermont		9.9	26.4	28.5	34.2	34.5	28.8	28.8	28.8	28.8	45.0	32.9
Virginia		49.1	131.1	141.6	170.0	171.6	143.2	143.2	143.2	143.2	152.6	163.7
Washington		49.3	131.6	142.2	170.7	172.3	143.8	143.8	143.8	143.8	196.3	164.3
West Virginia		21.3	56.8	61.4	73.7	74.4	62.1	62.1	62.1	62.1	82.9	71.0
Wisconsin		49.7	132.9	143.5	172.3	173.9	145.1	145.1	145.1	145.1	170.5	165.8
Wyoming		6.0	15.9	17.2	20.6	20.8	17.4	17.4	17.4	17.4	24.2	19.9
Am. Samoa		0.4	1.0	1.1	1.3	1.3	1.1	1.1	1.1	1.1	1.1	1.2
Guam		0.5	1.4	1.5	1.8	1.8	1.5	1.5	1.5	1.5	1.6	1.8
No. Mariana		0.2	0.5	0.6	0.7	0.7	0.6	0.6	0.6	0.6	0.6	0.7
Puerto Rico		26.9	71.9	77.6	93.2	94.1	78.5	78.5	78.5	78.5	80.1	89.7
Virgin Islands		0.4	1.1	1.2	1.4	1.5	1.2	1.2	1.2	1.2	1.2	1.4
MSA Total	0.0	2.4 bill.	6.4 bill.	6.9 bill.	8.3 bill.	8.4 bill.	6.9 bill.	6.9 bill.	6.9 bill.	6.9 bill.	7.9 bill.	7.9 bill.
4-State Total	1.4 bill.	1.0 bill.	1.6 bill.	1.7 bill.	2.0 bill.	1.5 bill.	1.4 bill.	1.4 bill.	1.4 bill.	1.4 bill.	1.4 bill.	1.4 bill.
National Total	1.4 bill.	3.3 bill.	8.0 bill.	8.6 bill.	10.3 bill.	9.9 bill.	8.3 bill.	8.3 bill.	8.3 bill.	8.3 bill.	9.3 bill.	9.3 bill.

From 2008 to 2017, certain states receive additional base payment amounts to reflect their participation in undertaking the underlying lawsuits and resulting settlement agreement. Because of the timing of the payments, for most states the calendar year totals are the same as fiscal year totals.

Campaign for Tobacco-Free Kids, October 22, 2003

Sources: Master Settlement Agreement (available at <http://www.naag.org/backpages/naag/tobacco/msa>); National Association of Attorneys General (NAAG), www.naag.org; the individual states' settlement agreements; and individual state attorneys general offices and other state agencies. For more information on the state tobacco settlements, see the Campaign for Tobacco-Free Kids website at http://www.tobaccofreekids.org/what_we_do/state_local/tobacco_settlement/ and http://www.tobaccofreekids.org/facts_issues/fact_sheets/policies/settlements_us_state/.