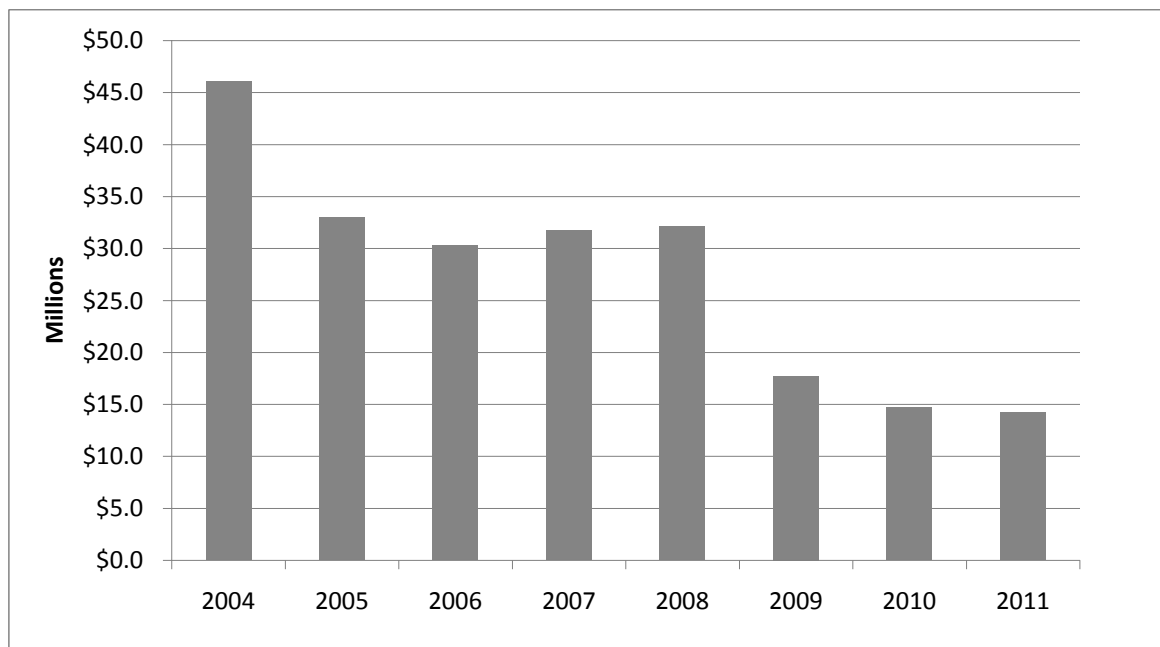


Tobacco Settlement Fund Overview

The Tobacco Settlement Fund (TSF) includes all revenues from the Master Settlement Agreement (MSA). The TSF was established to provide funding for tobacco prevention and cessation programs and other healthcare programs. The tobacco prevention and cessation programs are legislated through Act 77 to receive 12 percent of MSA funding annually.

Since 2004, funding for tobacco prevention and cessation programs has been reduced.



Governor Corbett's budget proposal moves the tobacco prevention and cessation funding to the General Fund, but creates a separate line item within the Department of Health budget for tobacco prevention and cessation. The line item indicates \$14.177 million for tobacco prevention and cessation programs.

The proposed budget included severe cuts to other health programs, with many programs being eliminated. Tobacco prevention and cessation programs were sustained at almost current funding. This allows these essential programs to be maintained to help reduce tobacco related disease across the Commonwealth and help reduce the burden of health care costs associated with tobacco use and exposure.