

National Black Church Initiative

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THE NATIONAL BLACK CHURCH INITIATIVE CALLS FOR AN INVESTIGATION OF THE AMERICAN LEGACY FOUNDATION

Where Did \$206 Billion Dollars Go?

Washington DC – The National Black Church Initiative, a coalition of 34,000 churches, calls for an immediate investigation into the American Legacy Foundation. This organization, whose mission is “to build a world where young people reject tobacco and anyone can quit,” has instead engaged in the systematic mismanagement of funds. NBCI is shocked that The American Legacy Foundation - in place to punish the tobacco industry, curb advertising and create programming to counteract the harmful effects of smoking – has depleted a once hefty settlement and failed the American public so completely. Nearly 50 million Americans smoke costing the United States over \$193 billion dollars in 2004. Since the inception of the Master Settlement Agreement in 1998 and the American Legacy Foundation in 1999 African Americans remain 34% more likely than whites to develop lung cancer and are being bombarded by targeted tobacco advertising, especially the promotion of unregulated menthol cigarettes, at rates significantly higher than their white counterparts. NBCI is disappointed at this glaring truth – the American Legacy Foundation is totally failing African Americans.

Our outrage at this scandalous misappropriation of funds meant to improve Americans health stems from NBCI’s clear commitment to reduce health disparities, prevent disease, and improve the health of all Americans - specifically African Americans. We have declared a health emergency in the Black church and have created Health Emergency Declaration (HED) Programs to address stubborn health issues plaguing African Americans. NBCI has collaborated with State and Local Health Departments, the private sector, faith-based communities nationwide, and more to ensure that our health programs are science based, effective, and far reaching. We will not rest until solutions to these health problems are found and implemented in the African American community.

The American Legacy Foundation is funded from monies held by the 'Master Settlement Agreement' which represents the largest civil litigation settlement against tobacco companies - \$206 billion dollars for the benefit of 46 states. According to their figures they have granted \$150 million dollars since 2000 in an effort "to support community-based efforts and to recognize new and better tobacco control programs". Now, 10 years later, their grant program is being phased out, according to the American Legacy Foundation due to the financial downturn. They cite a desire to "maximize the impact of limited funds". Limited funds? How in one breath can you boast of spending \$150 million dollars and in the next complain you have nothing?

Even more alarming is the funds that have been dispersed to the states have also been grossly mismanaged. This extension of misconduct compounds the fraud committed to Americans who deserve to benefit from this settlement. According to Renee Twombly in her article, *Tobacco Settlement Seen as Opportunity Lost To Curb Cigarette Use*, "tobacco settlement dollars are increasingly being used by states to shore up eroding budgets instead of for the purposes they were intended—to offset tobacco-related health care costs and institute tobacco control programs. Congress's investigative body, the General Accounting Office (GAO), reported that the 46 states party to the 1998 \$206 billion Master Settlement Agreement (MSA) spent just 24% of fiscal 2003's earnings on health programs."

The National Black Church Initiative is not alone in its outrage - Joseph Califano Jr., former Secretary of Health, Education, and Welfare and Current chairman and President of the National Center on Addiction and Substance Abuse at Columbia University states, "The purpose of [the MSA Settlement] money and how it is being used is one of the saddest public health stories that I have seen in the last 40 years." Alan Blum, M.D., director of the Center for the Study of Tobacco and Society at the University of Alabama concurs, stating that the money from the MSA has "been squandered, plain as day," and the inability to curb cigarette use "represents the worst public health failure in history."

Rev. Anthony Evans, President of the National Black Church Initiative says, "I am completely outraged. Tobacco companies - who target our youth and minorities, steal food out of our children's mouths by promoting an addictive, harmful drug, and kill our citizens - are supposed to be punished by this \$206 billion dollar settlement. The American public is meant to benefit. Neither of these objectives are accomplished – first through the American Legacy Foundation's transgressions and then later by the states refusal to utilize the funds as they are intended. We demand disclosure! If the American Legacy Foundation has already depleted funds meant to span 25 years at minimum then something needs to change. The states need to be held accountable for not funding programs to benefit the health of all Americans and especially African Americans who suffer at disparate rates. NBCI will not stand by when wrongdoings are committed and we will petition State Attorney Generals and the US Attorney General to enact change – this cannot continue."

NBCI requests disclosure – the American public deserves to know where funds have been allocated as they are, or were, meant for their benefit. If The American Legacy Foundation has made bad investment choices, and according to a source at the Foundation they have lost 300 million dollars, then they should no longer be funded from the Master Settlement Agreement as that money is not serving its purpose. We truly believe that the American Legacy Foundation, despite its claims to the contrary, does not have a strategic plan to deal with the issues surrounding African American smokers. The African American community has not benefitted from their programs – despite some reductions in smoking nationwide African Americans continue to suffer from smoking related diseases at higher rates and are also the subject of increased advertising campaigns from the tobacco companies. We have a right to know where the money went and how much was invested in the African American community.

About NBCI

The National Black Church Initiative (NBCI) is a coalition of 34,000 African American and Latino churches working to eradicate racial disparities in healthcare, technology, education, housing, and the environment. NBCI's mission is to provide critical wellness information to all of its members, congregants, churches and the public. The National Black Church Initiative's methodology is utilizing faith and sound health science. The National Black Church Initiative's purpose is to partner with major organizations and officials whose main mission is to reduce racial disparities in the variety of areas cited above. NBCI offers faith-based, out-of-the-box and cutting edge solutions to stubborn economic and social issues. NBCI's programs are governed by credible statistical analysis, science based strategies and techniques, and methods that work. Visit our website at www.naltblackchurch.com.

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