

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

**H.B. 561**  
**Mar 27, 2025**  
**HOUSE PRINCIPAL CLERK**

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HOUSE BILL DRH10003-MGa-13

Short Title: 2025 Youth End Nicotine Dependence Act. (Public)

Sponsors: Representative Cervania.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT ENACTING THE "YOUTH END NICOTINE DEPENDENCE ACT" TO  
3 ESTABLISH A TOBACCO USE PREVENTION FUND WITHIN THE DEPARTMENT  
4 OF HEALTH AND HUMAN SERVICES SUPPORTED BY ANNUAL  
5 APPROPRIATIONS FROM THE TOBACCO MASTER SETTLEMENT AGREEMENT.

6 Whereas, in North Carolina, the use of electronic cigarettes among high school  
7 students rose one thousand one hundred twenty-nine percent (1,129%) between 2011 and 2019;  
8 and

9 Whereas, in North Carolina, twenty-seven and three-tenths percent (27.3%) of youth  
10 in high school and ten and four-tenths percent (10.4%) of youth in middle school used tobacco  
11 products in 2019; and

12 Whereas, electronic cigarettes are tobacco products under North Carolina law; and

13 Whereas, youth are becoming addicted to electronic cigarettes at an alarming rate and  
14 are finding it difficult to quit; and

15 Whereas, the United States Surgeon General has reported that use of products  
16 containing nicotine in any form among young people is unsafe, secondhand electronic cigarette  
17 aerosol that is exhaled into the air by users is not harmless, and states must take action to prevent  
18 harm rather than waiting for harm to occur; and

19 Whereas, evidence shows that funding to create state and community interventions  
20 that encourage individuals to avoid tobacco use and help perpetuate social norms that discourage  
21 tobacco use are some of the most effective ways to prevent tobacco use and tobacco-related  
22 chronic disease and death among youth; and

23 Whereas, North Carolina receives approximately one hundred forty million dollars  
24 (\$140,000,000) every year from the Tobacco Master Settlement Agreement, which was intended  
25 to be used for tobacco use prevention programs; and

26 Whereas, by spending a fraction of the Tobacco Master Settlement Agreement funds  
27 on prevention, North Carolina can save on future medical costs caused by tobacco-related  
28 illnesses and prevent thousands of youth from becoming daily tobacco users; and

29 Whereas, the General Assembly finds that an investment of seventeen million dollars  
30 (\$17,000,000) per year in tobacco use prevention programs is required to prevent youth electronic  
31 cigarette nicotine dependence in North Carolina; Now, therefore,  
32 The General Assembly of North Carolina enacts:

33 **SECTION 1.** This act shall be known and may be cited as the "Youth End Nicotine  
34 Dependence Act."

35 **SECTION 2.** G.S. 143C-9-3(a1) reads as rewritten:



\* D R H 1 0 0 3 - M G A - 1 3 \*

"(a1) Each year, the following amounts are appropriated from the Settlement Reserve Fund: (i) the sum of twenty-five million dollars (\$25,000,000) from the Settlement Reserve Fund is appropriated to The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc., a nonprofit corporation, and these corporation and (ii) the sum of seventeen million dollars (\$17,000,000) to the Tobacco Use Prevention Fund established under G.S. 143C-9-3.1. The funds shall appropriated to The Golden L.E.A.F., Inc., are not be subject to G.S. 143C-6-23. The remainder of the funds credited to the Settlement Reserve Fund each fiscal year shall be transferred to the General Fund and included in General Fund availability as nontax revenue."

**SECTION 3.** Article 9 of Chapter 143C of the General Statutes is amended by adding a new section to read:

**"§ 143C-9-3.1. Tobacco Use Prevention Fund.**

(a) Definitions. – The following definitions apply in this section:

(1) Department. – The Department of Health and Human Services.

(2) Fund. – The Tobacco Use Prevention Fund established under subsection (b) of this section.

(b) Establishment and Purpose. – The Tobacco Use Prevention Fund is established as an interest-bearing special fund in the Department of Health and Human Services, Division of Public Health, Chronic Disease and Injury Section. The purpose of the Fund is to prevent the use of new and emerging tobacco products, including electronic cigarettes, especially among youth and people of childbearing age. The Fund shall consist of the amounts appropriated to the Fund from the Settlement Reserve Fund pursuant to G.S. 143C-9-3(a1). Any balance remaining in the Fund at the end of any fiscal year is carried forward in the Fund for the next succeeding fiscal year for the purposes set forth in this section.

(c) Use of Moneys. – The Department is prohibited from expending moneys in the Fund for any purposes other than the administrative purposes authorized by subsection (d) of this section and the following:

(1) To fund local health departments through a regional infrastructure to provide community-based education and training of youth leaders, schools, and local agencies regarding Centers for Disease Control and Prevention evidence-based tobacco use prevention and cessation interventions, including interventions addressing e-cigarettes.

(2) To fund evidence-based media and education campaigns on the health risks of tobacco use, including e-cigarettes.

(3) To increase military readiness of members in active military service in North Carolina, including members of the North Carolina National Guard and military reserve components, through tobacco use prevention and cessation policy, systems, and environmental change.

(4) To provide grants to community colleges to support a healthy, tobacco-free campus.

(5) To track tobacco use and exposure, including exposure to e-cigarettes and emerging tobacco products, among young people and populations most at risk for tobacco use.

(6) To provide technical assistance and oversight of regional tobacco use prevention programs.

(7) To conduct an independent evaluation of the reach and effectiveness of the State's tobacco use prevention programs.

(d) Fund Administration. – The Department shall exercise administrative control over the Fund and may use up to ten percent (10%) of the amount appropriated to the Fund each fiscal year from the Settlement Reserve Fund for administrative purposes. The Department shall develop guidelines for administering the Fund that are consistent with this section.

1       (e)     Annual Report. – Annually on March 1, the Department of Health and Human  
2 Services shall report to the Joint Legislative Oversight Committee on Health and Human Services  
3 and the Fiscal Research Division on the expenditures made from the Fund during the preceding  
4 fiscal year. The report shall identify each expenditure by recipient and purpose and shall indicate  
5 the authority under this section for the expenditure."

6             **SECTION 4.** This act becomes effective July 1, 2025.