



JOSH STEIN
ATTORNEY GENERAL

STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

SETH DEARMIN
CHIEF OF STAFF

September 23, 2021

North Carolina Senate President Pro Tempore Phil Berger
North Carolina House of Representatives Speaker Tim Moore
Co-Chairs, Joint Legislative Commission on Governmental Operations

Senator Danny Earl Britt, Jr.
Senator Warren Daniel
Representative James Boles, Jr.
Representative Allen McNeill
Representative Carson Smith
Co-Chairs, Appropriations Subcommittee on Justice and Public Safety

North Carolina General Assembly
Raleigh, North Carolina 27601-1096

RE: N.C.G.S. §§ 114-2.4A and §114-2.5; Report on Settlement

Dear Members:

Pursuant to N.C.G.S. §§ 114-2.4A and 114-2.5, I am pleased to report the following settlement.

JUUL Labs, Inc.

This consent judgment with JUUL Labs, Inc. settled allegations that JUUL knowingly marketed, sold, and delivered its e-cigarette products to minors in North Carolina, and deceived consumers about the nicotine potency of those products. JUUL agreed to injunctive relief pertaining to its marketing and promotional activities; retail and internet sales practices; and its health- and nicotine-claims. JUUL also agreed to actions it will take so that a North Carolina Depository may be established to publicly house company documents related to the litigation. Additionally, JUUL agreed to pay \$40 million to the Attorney General over the next five years. These funds should, to the maximum extent possible, be used to fund Electronic Nicotine Delivery System ("ENDS") Cessation

Programs, ENDS Prevention Programs, ENDS Research, the North Carolina Depository, and to cover the costs of litigation of the Attorney General's Office. The amount deposited into the treasury from the first installment of the Juul settlement was \$11M; \$2M went to pay for the expenses incurred during the investigation.

We will be happy to respond to any questions you may have regarding this report.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Seth Dearmin', followed by a horizontal line.

Seth Dearmin
Chief of Staff

SD:ml

cc: William Childs, NCGA Fiscal Research Division
Mark White, NCGA Fiscal Research Division
Morgan Weiss, NCGA Fiscal Research Division