BOARD OF EDUCATION OF HARFORD COUNTY

INFORMATIONAL REPORT

ALTRIA SETTLEMENT OFFER PACKET

OCTOBER 16, 2023

Background Information:

Over the last few years, several school systems throughout the Nation have initiated litigation against JUUL® or JUUL® Labs, which manufacture nicotine-vaping devices. Reports suggest that JUUL® advertising has been directed at teens and young adults. Vaping device use among middle and high school students has increased substantially. JUUL® nicotine content is one of the highest among e-cigarettes on the market. Increased use of JUUL® products has had a direct negative impact on public schools. As a result, school systems have been required to use increased video surveillance in schools and have specially created new positions for tobacco prevention, counseling, and vaping monitoring. All of these measures have resulted in increased costs to school systems.

The Frantz Law Group currently represents over 100 school systems in 22 states involving claims that have arisen from student/youth JUUL® use. This mass action is currently pending in the in the Northern Division of the United States District Court for the District of California. Harford County Public Schools (HCPS) agreed to join this litigation against JUUL Labs, Inc. and Altria Group, Inc. as co-defendants.

HCPS previously entered into a settlement agreement with JUUL Labs, Inc. HCPS now seeks to enter into a settlement agreement with Altria Group, Inc., Philip Morris USA, Inc., Altria Client Services LLC, Altria Enterprises LLC, and Altria Group Distribution Company (collectively "Altria").

Discussion:

Kimberly H. Neal, HCPS General Counsel, has been engaged in settlement discussions with William Shinoff of the Frantz Law Group. As a result of these discussions, an offer has been made to settle those claims HCPS may have against the co-defendants regarding costs incurred by HCPS to address JUUL® usage by HCPS students. These claims include, but are not limited to, costs incurred for staff time required to address vaping usage.

Ms. Neal has reviewed the Settlement Agreement and approves same.

Superintendent's Recommendation:

The Superintendent recommends that the Board authorize him to proceed with actions necessary for HCPS to execute the Settlement Agreement.