

# Juul to pay \$462 million to six states in its largest settlement ever

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New York CNN —



[Juul Labs](#), the e-cigarette maker, is paying \$462 million to six US states and DC in the largest multi-state settlement yet for the troubled company that has been accused of contributing to the rise of [vaping among youth](#).

The settlement, which was co-led by New York Attorney General Letitia James and California Attorney General Rob Bonta, will force retailers to secure Juul products behind counters and verify the age of purchasers, and Juul must cease using people under 35 years old in its marketing materials that directly or indirectly target young people.

Wednesday's announcement "places the most stringent restrictions on Juul's marketing, sales, and distribution practices in order to protect and prevent minors from underage smoking," according to a release from the New York's AG office.

"Juul lit a nationwide public health crisis by putting addictive products in the hands of minors and convincing them that it's harmless. Today they are paying the price for the harm they caused," James said in the statement. New York is receiving nearly \$113 million and will use the money to fund programs that deter underage smoking.

The lawsuit accuses Juul of directly promoting its products to high school students, including in one instance where a Juul representative "falsely told high school freshmen that its products were safer than cigarettes." It also said the company's ad campaign reached teens across the US, who then told their friends about Juul in "rapid numbers."

Juul said that this settlement means the company is "nearing total resolution" of its "historical legal challenges and securing certainty for our future," which now total more than \$1 billion.

"Now we are positioned to dedicate even greater focus on our path forward to maximize the value and impact of our product technology and scientific foundation," a Juul spokesperson told CNN.

E-cigarette usage among New York City high school students soared from 8% in 2014, a year prior to Juul's launch, to 23.5% in 2018, and caused to 2,500 hospitalizations for vaping-related illnesses, according to the release.

About [2.55 million middle and high school students](#) in the US used e-cigarettes in 2022, according to researchers from the US Centers for Disease Control and Prevention and the US Food and Drug Administration.

Based on responses to the 2022 National Youth Tobacco Survey, 14.1% of high school students and 3.3% of middle school students reported using e-cigarettes within the previous 30 days. Of those, 42.3% reported using them frequently, and 27.6% of them reported daily use. Other states are also receiving substantial amounts of money from this settlement, which will be paid out over an 8-year period. California is getting \$175.8 million, Illinois is getting \$67.6 million, Massachusetts is getting \$41.7 million, Colorado is getting \$31.7 million, New Mexico is getting \$17 million and District of Columbia is getting \$15 million.

## Other lawsuits

This lawsuit is the second this week that Juul has settled. West Virginia said on Monday that Juul is paying [\\$7.9 million for similar accusations of marketing toward youth](#).

[Last December](#), Juul Labs announced it settled more than 5,000 cases brought by approximately 10,000 plaintiffs in the US, resolving a substantial amount of legal issues for the company.

The company said the cases were variously personal injury, consumer class action, or from government entity and Native American tribe groups, but did not disclose the settlement amount.

That followed a September announcement that [Juul would pay \\$438.5 million to 34 states](#) and territories after a two-year investigation into its marketing and sales practices – like in West Virginia, Juul was charged with deliberately marketing its products to young people.

At one point, Juul was selling some of the most popular vapes in the US, especially the flavored products which the company [stopped selling in 2019](#).

Last summer, the FDA ordered Juul products to be removed from the US market. A court temporarily blocked the FDA ban, [so products are still for sale in the country](#).

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*CNN's Ramishah Maruf contributed to this report.*