

DAILY NEWS CLIPS

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FLAME RETARDANT INDUSTRY: USING INDUSTRY TACTICS TO PROMOTE THE ABESTOS OF OUR TIME

By Michael Green, Executive Director, Center for Environmental Health
The Huffington Post
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When I think about the connection between greed, lies, and unnecessary toxic health threats, asbestos or cigarettes jump to mind. Everyone knows how the tobacco industry denied the health risks of cigarettes for decades and continued to lie about the scientifically proven link between smoking and cancer and emphysema for decades, even after their own studies demonstrated the links. The asbestos story was remarkably similar, with industry recklessly deploying the cancer-causing chemical in our homes, workplaces, and even schools long after it knew that asbestos was killing people.

But until last week, many people had not heard about fire retardant chemicals, substances that pose serious health threats and that are made by companies who are using the tobacco industry's playbook to maintain their profits at the expense of our children's and families' health.

In a stunning four-part series last week, the Chicago Tribune found that the three leading makers of fire retardant chemicals have for decades used deception and phony "citizen's groups" to mislead the public, legislators and regulatory agencies about the efficacy and safety of their harmful products. In perhaps the most shocking revelation, the Tribune investigation exposed how the companies indirectly financed a prominent burn doctor who lied to state legislators about child burn victims, in order to falsely portray fire retardants as life-saving substances.

Professor Arlene Blum, a visiting scholar in chemistry at the University of California, has called fire retardant chemicals the "asbestos of our time" because exposure is widespread and can result in devastating health problems. She notes that exposure to flame retardant chemicals is associated with "reduced IQ in children, reduced fertility, thyroid impacts, undescended testicles in infants (leading to a higher cancer risk), and decreases in sperm quality and function," among other health hazards.

The Tribune stories show that for decades the fire retardant companies have been using the tobacco industry's tactics -- and even hired veterans of the tobacco industry's efforts and partnered with the cigarette industry to carry out their dirty tricks campaigns.

According to the Tribune, Dr. David Heimbach, a prominent burn doctor, lied in testimony to California legislators about an infant who died from burn injuries to falsely demonstrate that the baby girl could have been saved by fire retardants. When reporters confronted Heimbach with evidence of his lies, the doctor stated that the "anecdotes" he related were not "absolutely true" but were justified "because I wasn't under oath."

Dr. Heimbach acknowledged that he has repeatedly testified about the benefits of fire retardants as a paid consultant for Citizens for Fire Safety (CFS). As the Tribune found (and as CEH wrote about in 2010), this industry front group includes no citizens and cares nothing about fire safety. The phony "nonprofit" consists only of the three chemical companies that make the majority of fire retardants sold: Albemarle, Chemtura and ICL Industrial Products. In addition to funding Heimbach's lies, the Tribune exposed how the companies:

- Lied about fire fighter groups, federal regulators, and the American Burn Association support of CFS;
- Misled fire marshals to enlist them as unwitting opponents of new fire safety rules;
- Distorted science, misrepresented research, and used bogus science to falsely demonstrate the "benefits" of their products; and
- Partnered with big tobacco to counter burn victims who have advocated for fire-safe cigarettes that would be less likely to ignite furniture.

California's 1975 furniture flammability standard, called TB 117, plays prominently in this national debate because producers of furniture, baby products, and many other everyday items use massive amounts of fire retardants in order to meet this state standard. CEH has actively worked for years to revise this outdated standard and to eliminate all unnecessary uses of fire retardant chemicals. Our policy director attended the hearing where she heard Heimbach's lies -- and she witnessed state legislators buying into the lies, as their committee voted down the reform bill 8-1.

The U.S. Consumer Product Safety Commission (CPSC) has found that flame retardants in household furniture are not effective, and has questioned the widespread use of flame retardants in household furniture that can pose unnecessary health risks. In 2008, CPSC proposed a draft standard for furniture flammability that focuses on making upholstery resistant to smoldering cigarettes without chemical retardants, since cigarettes are the largest cause of furniture fires. But until the proposed rule is finalized -- a process that can take several years -- California's outdated regulation remains the de facto national standard.

In response to the Tribune series, Illinois Senator Richard Durbin has called on the CPSC to move quickly on finalizing its proposed rule. It's time to end our reliance on this modern-day asbestos, and end the flame retardant industry's tobacco-inspired lies.

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MARYLAND ASSEMBLY APPROVES INCOME TAX HIKES

By the Associated Press

Fox News

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The Maryland House of Delegates on Wednesday gave final approval to a budget package that raises income taxes for some and splits teacher pension costs with local governments.

The House voted 77-60 on the measure raising taxes on single filers who make more than \$100,000 and joint filers who make more than \$150,000. That move ended a special session called by Gov. Martin O'Malley to avoid about \$500 million in budget cuts. The Senate approved the measure Tuesday.

Delegates voted 86-51 for a separate bill to split teacher pension costs over four years and raise taxes on tobacco other than cigarettes.

The special session was needed because the General Assembly failed to pass the package during its regular 90-day session that ended last month.

"Unfortunately, we didn't get it done in a 90-day period of time, but I think everybody understood that we had to come back and do what we believed was in the best interest of the citizens of Maryland -- something that we worked on for a 90-day period of time," House Speaker Michael Busch, D-Anne Arundel, said.

Debate lasted more than two hours with loud and occasionally heated opposition from Republicans that prompted Busch to ask lawmakers to talk in a volume conducive to speaking indoors.

Democrats said the package was needed to avoid painful cuts to education, health and public safety.

"I support this legislation and I urge the body to do so as well, because it allows us to be fiscally responsible while still funding our shared priorities," Delegate Anne Kaiser said.

But Republicans said the so-called "doomsday" budget that went into place at the end of the regular session when the revenue package failed was a more responsible way to balance the budget, because it avoided tax increases they say will hurt business development and job growth.

"If that's doomsday, my friends, we need more of it -- and soon," said Delegate Herb McMillan, R-Anne Arundel.

Lawmakers are working to reduce an ongoing budget deficit of about \$1.1 billion by about half. They plan to address the other half next year.

O'Malley, a Democrat, emphasized that the special session was needed to protect education, to keep college tuition affordable and preserve public safety.

"There were a lot of unpopular votes cast in the course of these last six years, but they're the right votes in order to keep our state moving forward," O'Malley told reporters after the session concluded.

The budget reconciliation measure will shift part of the teacher pension costs to local governments over a four-year period. The state now pays for all of the teacher pension costs.

Republicans argued that the shift will simply lead to even more tax increases at the local level.

"This is without a doubt a tax-me-now and tax-me-later plan," said Republican Delegate Richard Impallaria, of Baltimore County.

But Democrats say Maryland is one of the only states where the state pays the entire cost of teacher pensions, which they believe has grown to become unsustainable in recent years. Supporters of the pension split point out that the state nearly pays as much in teacher pension costs as it invests in higher education.

Tobacco tax increases would jump from 15 percent of wholesale to 70 percent on "little cigars." Taxes on smokeless tobacco such as snuff would rise from 15 percent to 30 percent. There would be no change on premium cigars.

The tax increases will affect roughly 14 percent of the state's top taxpayers:

- Single filers who make between \$100,001 and \$125,000 a year in taxable income and joint filers who earn between \$150,001 and \$175,000 a year would see their state income tax rate rise from 4.75 percent to 5 percent.
- Rates for single filers who make between \$125,001 and \$150,000 a year in taxable income would see their rate rise from 4.75 percent to 5.25 percent. The 5.25 percent rate would apply to joint filers who make between \$175,001 and \$225,000 a year.
- Rates would rise from 5 percent to 5.5 percent for singles who make between \$150,001 and \$250,000 annually in taxable income and joint filers who make \$225,001 and \$300,000 a year.
- Single and joint filers who make more than \$250,000 a year would pay 5.75 percent.

The tax increases would raise an estimated \$264 million in fiscal year 2013. It drops down to about \$210 million in the fiscal year after that because the tax is retroactive in fiscal year 2013, spanning a year and a half.

State analysts estimate the tax increase on a joint filer with two children and \$175,000 in taxable income would pay about \$254 more in state and local taxes.

The General Assembly moved fast during the special session, which began on Monday.

O'Malley confirmed that another special session will be held this year to take up proposals to expand gambling.

Busch had blamed senators for the failure of a budget deal last month, saying they were too focused on approving gambling measures in the session's final days. Senate President Thomas V. Mike Miller, D-Calvert, has denied that, saying there were big disagreements between the House and Senate on the tax package.

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ONE SHAREHOLDER'S LONELY PRO-SMOKING BATTLE

By Christina Rexrode, AP Business Writer
Myrtle Beach Online (NC)
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This time of year, shareholders bombard corporations with suggestions about executive pay, governance and other arcana. But once in a while, an idea comes along that truly stands out.

This year's prize may go to Daniel Morrison, who asked Altria Group, the parent company of Philip Morris USA, to resurrect TV and radio ads for its cigarettes and smokeless tobacco.

His logic? It's the only way that potential customers will find out about new products, or be lured to switch brands. He also asked Altria to examine how it could advertise online, on smartphones, by text message and on satellite radio.

In a letter to Altria's board, Morrison wrote that "hundreds of millions" of Americans have never heard slogans like "Come to where the flavor is" or "You get a lot to like with a Marlboro: filter, flavor, pack or box."

"This proposal is not about selling more cigarettes," he wrote. "This is about freedom."

Morrison described himself as a retired city employee who owns about \$9,500 worth of stock in Altria, which held its annual meeting Thursday in Richmond, Va.

The Securities and Exchange Commission, which catalogued his letter along with other shareholder proposals, isn't allowed to release details about Morrison, including contact information.

Altria asked the government for permission to exclude Morrison's proposal from its shareholder ballot. For one thing, the company points out, Morrison didn't send a written notice that he intends to hold his shares through the meeting, as the SEC requires, or even proof that he is a shareholder.

More important, his proposal would require breaking the law: Tobacco companies have been banned from advertising cigarettes on TV for more than four decades. They're also forbidden from any marketing that could be construed as youth-oriented, and the government is considering more restrictions on advertising tobacco products via new media and technology, such as the Internet, email and smartphones.

The SEC almost certainly would have granted Altria's request, but as it turns out, it never had to. The day after Altria sent the SEC and Morrison a letter with its objections, the company's legal department received a brief email.

"To whom it may concern," it said. "Please withdraw my proposal dated 11-29-11....Thank you, Daniel Morrison."

An Altria spokesman declined to comment beyond the company's filings.

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YOUTH LIGHTING UP LESS AS TAXES RISE, SURVEY SHOWS

By Bloomberg
San Francisco Chronicle
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Fewer American teenagers and young adults are lighting up as cigarette taxes that have broken the \$3-a-pack threshold in some states make smoking too costly, according to the latest National Survey on Drug Use and Health.

Daily smoking, the nation's leading cause of preventable illness and death, fell to 15.8 percent in 2010 among adults ages 18 to 25, the Substance Abuse and Mental Health Services Administration reported Thursday. That share is down from 20.4 percent in 2004. Everyday smoking among people ages 12 to 17 dropped to about 2 percent from 3.3 percent.

Increased education and enforcement efforts focused on younger smokers, combined with "substantial increases in cigarette taxes," contributed to the decline, the agency said. The mean state excise tax on cigarettes reached \$1.46 a pack last year, up from \$1.34 in 2009, according to the Centers for Disease Control and Prevention.

New York, among five states charging \$3 or more, had the highest levy at \$4.35. California's tobacco tax is 87 cents a pack but would increase by about \$1 a pack under the tobacco tax measure on the June 5 ballot.

"Although some progress has been made in curbing youth smoking, the fact remains that 1 in 12 adolescents currently smoke and 1 in 3 young adults smoke, which means that far too many young people are still endangering their lives," said Pamela Hyde, the agency's administrator.

Young adults who reported cigarette use in the past month, either daily or more casually, declined to 34.2 percent in 2010, from 39.5 percent in 2004, according to the agency. Rates among adolescents fell to 8.3 percent in 2010, from 11.9 percent.

Health education programs at schools, antismoking campaigns that educate young people, increased enforcement of laws prohibiting the sale of tobacco to people younger than 18 and higher taxes are helping, the health agency said.

Young adults who smoked 26 or more cigarettes a day fell to 3.4 percent in 2010, from 6 percent in 2004, the survey showed. Those who smoked five or fewer a day increased to 28.6 percent in 2010, from 24.4 percent. A pack typically contains 20 cigarettes.

A 10 percent increase in the price of cigarettes can reduce consumption almost 4 percent among adults and have greater effect on youths, according to the CDC. In addition to state taxes, the federal government tacks on \$1.01.

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