



DAILY NEWS CLIPS

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ALTRIA'S NEW NICOTINE LOZENGE SHOWS NEED FOR FDA TO REGULATE ALL TOBACCO PRODUCTS SO CONSUMERS AREN'T BIG TOBACCO'S GUINEA PIGS

Press Release by Campaign for Tobacco Free Kids

Sacramento Bee (CA)

May 22, 2012

Tobacco giant Altria's launch of a new nicotine lozenge underscores the need for the Food and Drug Administration to quickly extend its regulatory authority to all tobacco products and prevent tobacco companies from continuing to treat American consumers as guinea pigs in their constant quest for higher profits. Without effective FDA regulation, there is nothing to stop Altria from marketing its new product in ways that lure and addict kids, discourage current tobacco users from quitting or mislead the public, as tobacco companies have done for too long.

According to a report today by The Wall Street Journal, Altria plans to begin selling its nicotine lozenge in Virginia in June. According to the report, "the chewable, mint-flavored disc will provide nicotine extracted from tobacco." The report stated that the product will be made of cellulose fibers and a polymer, resemble a cough drop, release nicotine as a user sucks or chews on it, and have to be thrown away after use.

The 2009 law granting the FDA authority over tobacco products specifically directed the agency to regulate cigarettes, cigarette tobacco, roll-your-own tobacco and smokeless tobacco. It also authorized the FDA to extend its jurisdiction to other tobacco products, which the law defines as "any product made or derived from tobacco that is intended for human consumption" (and that doesn't meet the statutory definition to be regulated as a drug or device). The FDA announced in December 2010 that it intended to issue regulations asserting jurisdiction over all tobacco product, but almost a year and a half later, it has yet to do so.

The FDA has taken far too long to act, and its failure to do so has given tobacco companies the opportunity to introduce novel products that circumvent the law. Altria's new product underscores the need for the FDA to quickly assert authority over all tobacco products so there are no gaps or loopholes in the law and all tobacco products are regulated to protect public health.

By asserting jurisdiction over this and all tobacco products, the FDA can take appropriate action to protect public health. Among other things, the agency has the power to review new tobacco products before they are allowed on the market, restrict marketing and sales especially to kids, require health warnings, mandate disclosure of contents of and research about products, and prohibit any health claims without FDA review. In an example of the proverbial fox guarding the chicken coop, Altria is currently determining what warnings and sales restrictions

to place on its new product. These decisions should be made by the FDA, an agency charged with protecting the public health, and not by a tobacco company motivated by sales and profits.

It is especially critical that the FDA act to prevent Altria from making any health claims about its new product without going through the rigorous scientific review and meeting the tough public health standard set by the 2009 law. The law prohibits tobacco companies from making any health claims – for example, that a product is less harmful – without first providing the FDA with the scientific evidence to show that the product "as it is actually used by consumers, will (A) significantly reduce harm and the risk of tobacco-related disease to individual tobacco users; and (B) benefit the health of the population as a whole," taking into account both users and non-users of tobacco products. The FDA must ensure that any reduction in harm to individual tobacco users is not offset by increasing the number of people, including kids, who start using tobacco or reducing the number of current tobacco users who quit. This rigorous standard is needed to prevent a repeat of tobacco industry deception and ensure that any future health claims about tobacco products are supported by sound science and do in fact reduce the death and disease caused by tobacco use.

Effective FDA regulation of all tobacco products is critical to reducing the terrible toll of tobacco use, which kills more than 400,000 Americans annually and is the number one cause of preventable death in the United States and around the world.

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RAISING CIGARETTE TAXES IS NOT MEDICAID REFORM

Opinion by Todd Maisch, VP Government Affairs, Illinois Chamber of Commerce

Murphysboro American (IL)

May 22, 2012

Governor Pat Quinn and Members of the Illinois General Assembly are proposing to increase Illinois' cigarette tax by \$1 a pack and tying it to Medicaid spending. While the Illinois Chamber agrees that Medicaid needs vital reforms, we disagree that finding more money to feed a program that is bankrupting the state is the right approach.

Raising taxes is not real "reform" of the Medicaid program. The Illinois Chamber of Commerce is opposed to what appears to be a "tax first, ask questions later" policy approach when it comes to reforming the Medicaid program. The cigarette tax has been a declining revenue source ever since the tax rate was nearly doubled to 98 cents in 2002 and is a bad match to a program with escalating costs.

Furthermore, after raising the state's personal income and corporate tax last year, legislators should focus on policies that help businesses be successful, especially small businesses. A cigarette tax hike of this magnitude would further harm business as Illinois retailers would simply lose sales to cheaper alternatives across state borders, to increasingly popular roll-your-own shops, or to the internet, all of which also cost the state revenue.

The Illinois Chamber of Commerce supports long-term solutions for the problems facing the state's Medicaid program. To address the program's escalating costs and year-over-year deficits, more savings could be found by

focusing on coordination of care and program eligibility for example. These types of reforms have proven successful in other states and when enacted in Illinois will provide real long-term cost savings.

Now is not the time for more tax increases on Illinois businesses and families. Now is the time to enact real long-term reforms to our state's Medicaid program before the problem gets worse.

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LAWMAKERS CONSIDER EXPANDED TOBACCO TAX HIKE TO FUND MEDICAID

By Chris Wetterich
Galesburg.com (IL)
May 22, 2012

Legislation restructuring Illinois' Medicaid system was put on ice Tuesday as legislative leaders attempted to figure out what pieces of the package to pass first and whether to tax tobacco products other than cigarettes.

State Rep. Sara Feigenholtz, D-Chicago, a House sponsor of Senate Bill 2840, said there is more work to do on the legislation, while state Sen. Heather Steans, D-Chicago, the bill's Senate sponsor, said there was talk about whether to broaden a \$1-per-pack cigarette tax increase and hike taxes on all tobacco products, including pipe tobacco.

Doing so could bring in \$825 million instead of the estimated \$725 million take from a higher tax on cigarettes only. That revenue is from both tax revenue and federal matching funds. Gov. Pat Quinn has called for the legislature to cut Medicaid spending or find new money to cover some of a projected \$2.7 billion increase in program expenses for fiscal year 2013, which starts July 1.

The dynamics of changing the massive program, which provides health care for the poor and is paid for by state and federal funds, are difficult.

For example, one issue appears to be a waiver of state regulations that bar expansion of the Medicaid rolls. Cook County wants a waiver to start enrolling people who will be eligible in 2014, when President Barack Obama's health care reform plan goes into effect. Lawmakers from Cook County favor the waiver, which requires no state funds today.

However, some conservative groups say passing the waiver would be an end-run around the U.S. Supreme Court, which is expected to decide next month whether the federal health care program is constitutional. They are also pressuring Republicans not to vote for a tax increase as a part of a Medicaid solution.

At the same time, many of the Cook County lawmakers who favor the waiver object to other parts of the legislation that scale back Medicaid eligibility. The waiver was a part of a comprehensive amendment to SB2840 that included all of the elements of the restructuring plan except the cigarette tax. But the Senate has a bill that treats the waiver as a separate matter.

“There’s a lot of moving parts in Medicaid reform. It’s over a 500-page bill,” Feigenholtz said. “People are going through it to make sure we’ve thought things through before we call it.

“I think the leaders continue to meet about making decisions about who’s voting for it and putting together roll calls and making sure we’re ready to move forward on this.”

No decisions were made Thursday at a meeting involving House Speaker Michael Madigan, D-Chicago, House Minority Leader Tom Cross, R-Oswego, Senate President John Cullerton, D-Chicago, and Senate Minority Leader Christine Radogno, R-Lemont.

A Cullerton spokeswoman described the situation as “fluid.”

Originally posted here: http://www.galesburg.com/news/news_state/x639950562/Lawmakers-consider-expanded-tobacco-tax-hike-to-fund-Medicaid

MO JUDGE UPHOLDS TOBACCO TAX BALLOT MEASURE

By The Associated Press
The Rolla Daily News (MO)
May 23, 2012

A Missouri judge has upheld the ballot language of a proposal asking voters to raise the state's tobacco taxes.

Cole County Circuit Judge Dan Green ruled this week that the ballot measure's summary and cost estimate are fair and sufficient.

The initiative would raise Missouri's tax on cigarettes to 90 cents per pack from the current 17 cents, which is the lowest in the nation. State taxes on other tobacco products also would be increased.

Groups backing the proposal, including the American Cancer Society, submitted signatures to the secretary of state earlier this month to get the question on the November ballot

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BLOG: PROP. 29 FILLED WITH FLAWS

By Gordon M. Webster
The Business Journal (CA)
May 22, 2012

The tobacco tax measure Proposition 29 on the June ballot is filled with problems. This proposition imposes an additional \$1 per-pack tax on cigarettes and an equivalent tax increase on other tobacco products to fund research for cancer and other diseases.

It may sound like a good idea, but now is not the right time to be creating a new government program with our declining revenues.

Prop. 29 is estimated to raise nearly \$1 billion in new taxes, but nothing in the measure requires the funding to be spent in California or even in the U.S.

This initiative takes perfectly good tax money and mispends it.

California needs to focus its priorities and scarce resources on the state's most pressing issues. We do not need to be creating new bureaucracy.

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MD. TOBACCO TAX WILL SAVE LIVES

Opinion by Vincent DeMarco, President, Maryland Citizen's Health Initiative
Baltimore Sun (MD)
May 23, 2012

As Gov. Martin O'Malley signs into law the revenue measure passed during the recent special session, most of the attention will be on the income tax changes in the bill. Also in the new law will be an historic and life-saving increase in our state's tax on little cigars and smokeless tobacco.

Thanks to several increases in our cigarette tax over the past decade, we have dramatically reduced cigarette smoking in Maryland, especially among teens, saving tens of thousands of lives. But, because we did not increase the tax on little cigars and smokeless tobacco during this time, youth use of some of these deadly products actually increased, according to a study done by the Department of Health and Mental Hygiene.

Now, thanks to the leadership of Governor O'Malley and Lt. Gov. Anthony Brown, our new tax increase will deter thousands of Maryland youth from becoming addicted to these life-threatening tobacco products. And, as in many other public health areas, Maryland will be leading the nation as we enact the only tobacco tax increase in the country so far this year and as we go from 34th highest cigar tax in the nation to 7th. We commend the administration and the General Assembly for this great public health victory for our state

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