

NEW HATCH BILL WOULD MODIFY TOBACCO DEAL

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As Congress planned to adjourn for the year, Sen. Orrin Hatch, R-Utah, introduced a bill Thursday to modify and implement a proposed settlement of tobacco lawsuits by states.

Hatch's bill would require higher payments, give the Food and Drug Administration more power to regulate tobacco, enhance restrictions on tobacco ads aimed at children and create programs for more health-related research funded by tobacco payments. "The elements of this legislation provide the Congress with an opportunity to implement a strong plan to curb tobacco use, especially its use by children and teens," Hatch said.

He introduced the bill after he chaired months of hearings in the Senate Judiciary Committee on the proposed deal reached in June between tobacco companies and state attorneys general as a way to settle dozens of health-related lawsuits.

That original proposal called for tobacco companies to pay \$368 billion over 25 years, curb their advertising and pay fines of up to \$2 billion if teenage smoking did not drop. In return, they would gain protection against continuing lawsuits and limits on government control of nicotine.

Hatch's bill would require the tobacco industry to pay \$398.3 billion over 25 years to fund anti-tobacco programs.

It would allow states to receive \$186 billion directly for smoking cessation, counter-advertising and other anti-tobacco activities. States would also receive half of the \$91 billion going to the federal anti-tobacco program through block grants - competing for it by how well their programs work.

Also, \$95 billion would go to additional biomedical research through a proposed National Institutes of Health Trust Fund. And \$200 million a year would go to enhance Native American health-care efforts related to tobacco use.

Hatch's bill would also give the FDA authority to control the composition of tobacco products - but would require any outright ban to be approved by Congress.

Also, unlike the original deal and proposals by the FDA to treat tobacco as a restricted medical device, Hatch's bill would treat tobacco products as their own class and - if they fail to meet new quality standards - as unapproved drugs.

Hatch's bill would also provide transitional assistance to tobacco farmers, including retraining and educational assistance.

And it would enhance restrictions on tobacco ads aimed at children by banning free samples of cigarettes, banning vending machine sales (except in some limited adult facilities) and requiring mail-order sales to use age verification procedures.

Hatch said, "This legislation improves on the June attorneys general settlement but contains the critical balance between strong penalties on the tobacco industry with strict regulation of tobacco products by the FDA."

He added that it also ``implements a major national anti-tobacco and anti-addiction campaign, and defines liability protections for the industry. In addition, it includes a strong provision to preclude youth access to tobacco products."

Hatch said he introduced the bill now to allow review by all sides over the months that Congress is recessed.