

PRICE SUPPORT

The rationale of the Federal government "supporting" or "encouraging" tobacco consumption used as a basis for introduction of the excise tax and advertising deduction bills is also present in H.R. 2392, which was introduced on July 31, 1979, by James P. Johnson (R-Colo.-4) and co-sponsored by Representative Erdahl. The legislation would direct the Secretary of the Department of Agriculture to conduct a study to determine the probable economic effects of cessation of the Federal assistance which serves to promote tobacco production and the manufacturing and marketing of tobacco products for human consumption. The bill, which is identical to H.R. 11738, in the 95th Congress, was referred to the Committee on Agriculture, Subcommittee on Tobacco. H.R. 11738 had fourteen co-sponsors, none of which have taken such a role during this session. Though no hearings have been held or scheduled, it is understood that hearings have been promised by the Chairman, Congressman Walter B. Jones, as the Committee has been under some pressure to hold hearings, especially from the sponsor Mr. Johnson.

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Non-Smoker Segregation

Four bills have been introduced in the First Session of the 96th Congress generally concerned with separating smokers and non-smokers:

1. H.R. 136 was introduced on January 15, 1979, by Charles E. Bennett (D-Fla-3) and co-sponsored by Congressmen Addabbo, Edwards (Cal.), Goodling, Hutto, Marriott, Miller (Cal.), Smith (Iowa), Stack, and Walker. The bill would amend the Federal Aviation Act of 1958 to prohibit air carriers from dispensing alcoholic beverages and tobacco free of charge to passengers of air carriers. It was referred to the Committee on Public Works and Transportation, Subcommittee on Aviation. No hearings have been scheduled.
2. H.R. 280 was introduced on January 15, 1979, by Robert F. Drinan (D-Mass-4) and co-sponsored by Representatives McKay and Spellman. The bill would amend § 8(a) of the Federal Cigarette Labeling and Advertising Act [U.S.C. 1337(a)] to require an annual report to Congress on the effect of cigarette smoke upon non-smokers. The bill was referred to the Committee on Interstate and Foreign Commerce, Subcommittee on Health and the Environment, which has not held or scheduled any hearings.
3. H.R. 300 was introduced on January 15, 1979, by Robert F. Drinan (D-Mass-4) and co-sponsored by Representatives Anderson (Cal.), Atkinson, AuCoin, Bonior, Carr, Hollenbeck, LaFalce, Matsui, Moakley, Roybal, Scheuer, Vento, Weiss, Wolpe, McKay, and Spellman. This legislation would regulate the smoking or possession of a lighted cigarette, or cigar or pipe containing a tobacco product by prohibiting smoking in certain areas in federal facilities and public facilities associated with common carriers in interstate commerce, and by providing for the separation of smokers and non-smokers in other areas in such facilities. The bill, which is identical to H.R. 862 and H.R. 6310 introduced by Mr. Drinan in the 95th Congress, was referred jointly to the Committee on Interstate and Foreign Commerce and Public Works and Transportation. It was referred in the former to the Subcommittee on Surface Transportation and in the latter to the Subcommittee on Public Buildings and Grounds. No hearings have been scheduled or held.

4. H.R. 1594 was introduced on January 29, 1979, by Bill Frenzel (R-Minn-3). It is identical to H.R. 300 and was jointly referred to the same Committees. No hearings have been scheduled.

Self Extinguishing Cigarettes

The following bills are concerned with the continuation of burning of lit cigarettes:

1. H.R. 4944 was introduced on July 24, 1979 by Andrew Jacobs (D-Ind.-11) and is cosponsored by Hamilton Fish, Jr. (R-N.Y.). The bill would prohibit any manufacturer of cigarettes or little cigars, from adding to the product any substance having the affect of continuing its burning if left unattached. The bill was referred to the Committee on Interstate and Foreign Commerce, Subcommittee on Consumer Protection and Finance, which has not scheduled hearings.
2. H.R. 5504 was introduced by Representative John J. Moakley (D-Mass.-9th) on October 5, 1979, and referred to the Subcommittee on Interstate and Foreign Commerce. It is cosponsored by Representatives Anthony C. Beilenson, (D-CA); James C. Corman, (D-CA); Richard L. Ottinger, (D-NY); Richard M. Nolan, (D-NY); Hamilton Fish, Jr., (R-NY); and Messrs. Bingham, (D-NY); Cotter, (D-CT); Duncan, (R-TN); Edgar, (D-PA); Gibbons, (D-FL); Miller, (D-CA); Murphy, (D-PA); Pepper, (D-FL); Rostenkowski, (D-IL); Scheuer, (D-NY); and Lundine, (D-NY).

This Bill would require persons who manufacture cigarettes or little cigars for sale or distribution in commerce to comply with processing standards prescribed by the Consumer Product Safety Commission which ensure that such cigarettes or little cigars will stop burning within a period of five minutes after being ignited if such cigarettes or little cigars are not smoked during such period.

In section 2 of the Bill, United States Fire Administration data is cited as to the number of deaths and injuries and amount of property damage caused by fires started by smoking materials.

If enacted, the Bill would require the Consumer Product Safety Commission to prescribe regulations to enforce the "five-minute rule." However, no such standard is to cause the tar, nicotine, or carbon monoxide levels to increase by more than five per cent. Failure to comply with the regulations would be a misdemeanor, subject to a fine not to exceed \$10,000.00, per day of violation.

The Bill would be effective for cigarettes or little cigars manufactured after January 1, 1981, except those for export, (other than for U.S. armed forces), or on aircraft or ships beyond IRS jurisdiction.

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The California Fire Chiefs Association, The Federated Fire Fighters of California and the California Furniture Manufacturers Association have expressed support for the Bill, as well as the National Fire Protection Association. The California Legislature issued a Joint Resolution recommending to Congress legislation similar to H.R. 5504.

Representative Moakley has expressed his desire that the Tobacco Institute "go along with us." Congressional Record, November 16, 1979, page E5708.

The Consumer Product Safety Commission is also concerned with furniture fires related to cigarettes. In the Calendar of Federal Regulations published by the United States Regulatory Council in the Federal Register of November 28, 1979 on pages 68305-68307, the C.P.S.C. has published a summary of its regulations under development regarding upholstered furniture cigarette flammability standard.

While the regulations under consideration are aimed at developing fabric utilized in furniture construction that is less susceptible to ignition by cigarettes, the "Statement of the Problem" lists data which might be utilized by proponents of Representative Moakley's Bill, for example. According to the "Statement of Problem", 33,000 of 45,000 upholstered furniture fires that occur annually in the United States are caused by cigarettes. Seventeen hundred of the 3,200 injuries and 500 of the 800 deaths are alleged to occur annually because of cigarette caused fires. The Commission estimates property damage resulting from cigarettes ignited upholstered furniture at \$25,000,000 annually. The CPCS has assigned the figure of \$1,000,000 per life and estimated \$16,000,000 for injuries exclusive of pain and suffering to arrive at a total damage caused of \$541,000,000 annually from cigarette caused upholstery fires.

According to the Calendar listing, proposed rulemaking will occur in late 1979 with public comment to follow. The final rule will be published in the Fall of 1980 and be effective in the Fall of 1981.

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ACCELERATION OF TOBACCO EXCISE TAX COLLECTIONS

On December 27, 1979, the Secretary of the Treasury transmitted to the House of Representatives Executive Communication No. 3082, which was referred to the House Committee on Ways and Means. It contains six proposals for altering the timing of tax payments, accelerating some tax payments, and delaying and reducing the frequency of others. While we are awaiting the full text of the communication, an excerpt which refers to "Tobacco Excise taxes" has been obtained and is attached. All proposed changes in tobacco excise tax collections would be made by regulation. No legislation would be required.

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