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The Need for Speed: \$15 Billion Cost of Foodborne Illness Underscores Urgent FDA Action

by Ronald White

Preventable foodborne diseases cause thousands of illnesses and deaths in the United States every year. Coupled with this pain and suffering, the U.S. Department of Agriculture (USDA) recently [estimated](#) that foodborne illnesses cost the American public more than \$15 billion annually.

To develop this estimate, the USDA analyzed specific disease outcomes from 15 major pathogens found in food in the United States, which account for over 95 percent of the illnesses and deaths from foodborne disease. It also examined health care costs, lost wages from these illnesses, and other costs.

The USDA's calculations build on U.S. Centers for Disease Control and Prevention (CDC) estimates of the incidence of foodborne disease, peer-reviewed data on medical costs, and economic, medical, and epidemiological literature, and publicly available data on wages. An earlier USDA [analysis](#) found that poultry, pork, and produce contributed more than half of the total health care costs associated with foodborne illnesses.

The public health and financial costs of foodborne illnesses underscore the importance of improving our nation's food safety system. President Obama signed the [Food Safety Modernization Act](#) (FSMA) into law in January 2011 and established an 18-month deadline for the Food and Drug Administration (FDA) to adopt standards to implement the law. However, Congress did not give the FDA additional money to perform these duties, and the new rules languished.

Eventually, two public interest groups [sued](#) the FDA to require the agency to complete the rules. A court sided with the public interest groups and, in June 2013, ordered FDA to complete all of the rules by June 30, 2015. The groups and the agency set a revised [schedule](#) for these rules, which are essential for preventing foodborne disease. This schedule includes the Preventive Controls for Human Food and Produce Safety Standards, which are required to be in place by Aug. 20 and Oct. 31, 2015, respectively.

We can prevent thousands of cases of sickness and death, and billions of dollars in costs, that are caused by foodborne illnesses each year, but to do so, we need to improve the safety of our nation's food supply. It is critical that the FDA meet its new deadlines and develop strong food safety rules that protect the public's health.

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Cleaning Up CAFOs with the Civil Rights Act

by Amanda Frank

For decades, minority communities in North Carolina have suffered with the odors and pollution of industrial pig farms. They may finally get a reprieve thanks to a [complaint](#) submitted to the U.S. Environmental Protection Agency's (EPA) Office of Civil Rights. The complaint, filed by Earthjustice on behalf of several groups, argues that North Carolina's permitting process for pig farms negatively and disproportionately affects minority communities and violates the Civil Rights Act.

CAFOs

Concentrated Animal Feeding Operations, also known as "CAFOs," are highly industrialized farms that streamline the production of meat, dairy, and eggs. CAFOs house large concentrations of animals and provide feed (rather than having animals graze or forage outdoors). However, this crowding not only creates poor living situations for the animals but also generates a significant problem: animal waste. Even the smallest CAFOs can generate as much fecal matter as [16,000 people](#). Larger CAFOs can produce [more waste than a large U.S. city](#).

CAFO operators dispose of animal waste in a number of ways, including spraying it on fields or storing it in open air lagoons. Both practices can result in seepage or runoff into surface and groundwater. This fouls drinking water with a slew of contaminants, including pathogens and pharmaceuticals. Moreover, the waste emits toxic gases like methane and ammonia. Communities residing near CAFOs complain about odors that prevent them from spending time outdoors and contribute to respiratory ailments.

The Complaint

Home to more than [10 million hogs](#), North Carolina has one of the highest concentrations of pig CAFOs in the country. Communities living near these CAFOs have petitioned North Carolina's Department of Environment and Natural Resources (DENR) since the 1990s, asking for improved regulations for

sewage disposal. However, DENR's renewal of its waste permit program for pig farms, released March 7, failed to require any [alternatives to open lagoon storage and field spraying](#).

The complainants argue that DENR permits for pig farms represent racial discrimination because communities living near CAFOs are largely made up of minorities. They cite [Title VI](#) of the Civil Rights Act of 1964, which prohibits programs receiving federal assistance from discriminating on the basis of race. North Carolina's DENR receives federal funds and cannot develop policies that disproportionately burden minority communities.

While allegations of racial discrimination may seem like a stretch, this issue must be viewed in light of previous DENR actions. The complainants note that in the 1980s, DENR chose a predominately African American community as the site to dump soil contaminated with cancer-causing [polychlorinated biphenyls](#) (PCBs). They see the outdated practices for sewage control as yet another instance of racial discrimination. The complainants do not at this time allege that DENR is intentionally discriminating but argue that the agency's actions still violate both the Civil Rights Act and EPA regulations.

The Complainant's Requests

The complaint urges EPA's Office of Civil Rights to take the following actions against DENR:

- Investigate DENR's failure to conduct an analysis of whether their permitting process creates disproportionate health and environmental impacts based on race. Ensuring that permits do not violate the Civil Rights Act is a prerequisite to receiving EPA funding.
- Require DENR to conduct a robust analysis of the disproportionate impact of any future animal permitting processes before they are implemented.
- Investigate whether DENR also violated the Civil Rights Act by knowingly authorizing a permit with inadequate protections for nearby minority communities.
- Revise the permit to include pollution prevention systems, better monitoring, and public reporting requirements.

These actions would help EPA investigate whether DENR is indeed violating the Civil Rights Act. They would also help prevent future violations and reduce pollution associated with swine farms. If DENR fails to voluntarily come into compliance, the complainants urge EPA to freeze or terminate its funding.

Conclusion

The Earthjustice complaint is part of a [larger history](#) of using the Civil Rights Act to advocate for [environmental justice](#). Nearly [300 such complaints](#) have been submitted to EPA's Office of Civil Rights since the 1990s, asking for EPA to investigate racial discrimination cases. Fewer than 20 have been accepted, however, with the vast majority being rejected on various grounds such as insufficient allegations or factual support.

Even so, there is hope because EPA has accepted several complaints in recent years. For example, in 2013, EPA agreed to investigate the Alabama Department of Environmental Management's decision to site a landfill near a predominately African American community. There is no guarantee that EPA will find merit in the allegations of racial discrimination, but the complaint ensures that the agency will investigate the claim, and that investigation alone may prompt changes.

Report: Anonymous Companies Threaten American Interests

by Jessica Schieder

It is easier to form a corporation in the United States than it is to get a library card or driver's license. Current law allows people or existing corporations to create new companies without requiring any information about the human owners of the businesses. A [powerful new report](#) by [Global Witness](#) details the threats these anonymous companies pose.

[“The Great Rip Off”](#) provides 22 detailed case studies to highlight the threats to American interests posed by anonymous company ownership. These include: jeopardizing national security, exploiting taxpayers, conning the poor and disabled, destabilizing legitimate businesses, taking advantage of developing nations, and influencing political elections by routing campaign contributions through anonymous shell companies that hide the donor's identity.

The scams examined in the report range from instances of shell companies selling fake parts to the Pentagon, to funneling Mexican drug money into the United States, to defrauding Medicare of more than \$100 million by creating medical clinics that only exist on paper. Almost as outrageous as the crimes is the fact that state governments have turned a blind eye to the issue in the interest of luring companies to their state.

Delaware has [more companies](#) that incorporated in the state than it has residents in part because it demands no information about the actual [owners](#) of new companies. The demand to incorporate in Delaware is so high that a [quarter](#) of the state's total revenue came from taxes and fees on absentee corporate residents in 2011.

The rest of the world has taken notice. The [World Bank](#) ranked the U.S. as “the favorite destination for corrupt politicians from around the world to set up companies to move or hide dirty money.” One reason for this dubious distinction is the immense secrecy that surrounds shell corporations.

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Jennifer Shasky, former Senior Counsel to the Deputy Attorney General of the Department of Justice, hints at the scope of the problem in recalling a seminar she attended:

The audience—including investigators from nine federal law enforcement agencies and prosecutors from a variety of districts and offices—was attending a financial investigation seminar [...] The instructor, who was lecturing on U.S. shell companies, asked the members of the audience to raise their

hand if they had ever reached a dead end in one of their investigations because of a U.S. shell company. Nearly every person in the room raised his or her hand.

Congressional action requiring all American companies to release information about their ultimate owners is urgently needed. The White House could also take immediate action to require companies receiving contracts, grants, and loans from the federal government to disclose their real owners. This would provide information on contractor and grantee ownership while preventing fraud and corruption.

Only by making information about the true [human](#) owners of shell corporations public can our nation stop the crimes they have been committing against us.

To read or listen to the complete Global Witness report, click [here](#).



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