

BRIEFS

NATION

WASHINGTON

Fed: Retiring boomers could weaken economy

Federal Reserve Chairman Ben Bernanke warned Thursday that the economy could be gravely hurt if Social Security and Medicare aren't revamped, and he urged lawmakers to tackle the nation's thorny fiscal issues sooner rather than later.



BERNANKE

"If early and meaningful action is not taken, the U.S. economy could be seriously weakened," Bernanke told the Senate Budget Committee. Future generations, he said, will bear much of the cost.

It marked the Fed chief's most forceful warning to date on the potential problems facing the United States with the looming retirement of 78 million baby boomers, the oldest of whom will start retiring next year.

NEW YORK

Oil prices briefly drop to lowest level in months

Oil prices briefly fell below \$50 per barrel Thursday for the first time since May 25, 2005, after the government reported larger-than-expected jumps in crude oil and gasoline inventories.

Oil has dropped 17 percent since the end of 2006 amid weeks of mild winter weather in the U.S. Northeast, a key consumer of heating fuels, and growing energy stockpiles.

The price for a barrel of light, sweet crude for February delivery fell as low as \$49.90 on the New York Mercantile Exchange but spent only a moment below the \$50 threshold. It settled at \$50.48, down \$1.76 from Wednesday's price.

NEW YORK

Families sue MySpace after children abused

Four families have sued News Corp. and its MySpace social-networking site after their underage daughters were sexually abused by adults they met on the site, lawyers for the families said Thursday.

The law firms said families from New York, Texas, Pennsylvania and South Carolina filed separate suits Wednesday in Los Angeles Superior Court, alleging negligence, recklessness, fraud and negligent misrepresentation by the companies.

The families are seeking monetary damages in the millions of dollars, a lawyer said.

BRIEF

STATE

INDIANAPOLIS

Indiana leads country in storm insurance claims

A wave of spring thunderstorms that pummeled central Indiana with high winds and baseball-size hail caused so much property damage that Indiana led the nation in catastrophic insurance claims during 2006, a new report says.

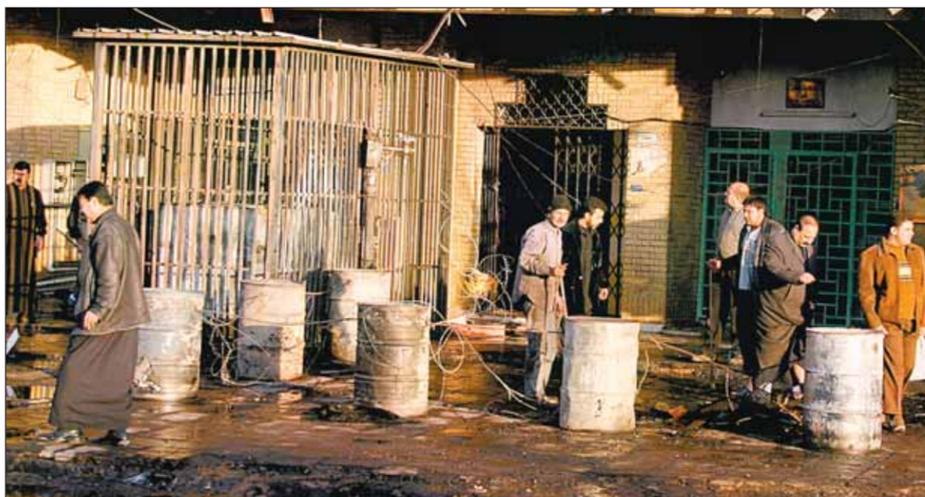
The damage, mainly from April storms, generated nearly 335,000 insurance claims and \$1.5 billion in 2006 losses from damaged homes and automobiles, according to the report from Jersey City, N.J.-based Property Claim Services, a division of the ISO statistical firm.

In comparison, Louisiana led the nation in 2005 with \$27.2 billion in hurricane-related claims after being hit by hurricanes Katrina and Rita, the report said.

Marty Wood, a spokesman for the Insurance Institute of Indiana, said the lack of significant hurricanes making landfall in the country last year and an unusually strong April hailstorm to give Indiana its top ranking in catastrophic insurance claims.

THE WAR AGAINST TERRORISM

Shiite militia braces for attacks by U.S. military



People pass the damaged offices of a bank in Baghdad, Iraq, on Thursday after a bomb exploded, killing a civilian. Attackers killed at least 19 others in a series of attacks as the city faces a surge in violence ahead of a U.S.-Iraqi security crackdown.

Madhi Army leaders reportedly anticipating strikes

By STEVEN R. HURST

THE ASSOCIATED PRESS

BAGHDAD, Iraq

Mahdi Army fighters said Thursday they were under siege in their Sadr City stronghold as U.S. and Iraqi troops killed or seized key commanders in pinpoint nighttime raids.



AL-MALIKI

Two commanders of the Shiite militia said Prime Minister Nouri al-Maliki has stopped protecting the group under pressure from Washington and threats from Sunni Muslim Arab governments.

The two commanders' account of growing fear of U.S. attacks in the organization could represent a tactical and propaganda feint, but there was mounting evidence the militia was off balance and had ordered its gunmen to melt back into the population.

During much of his nearly eight months in office, al-Maliki has blocked or ordered

CONGRESS RESPONDS

WASHINGTON — Speaker Nancy Pelosi pledged the support of House Democrats on Thursday for legislation declaring that President Bush's decision to send additional troops to Iraq is "not in the national interest of the United States."

Pelosi's commitment came as Senate Democrats said they intend to begin advancing a non-binding measure next week that criticizes the White House's new strategy.

an end to many U.S.-led operations against the Mahdi Army, which is run by radical Shiite cleric Muqtada al-Sadr, the prime minister's key political backer.

As recently as Oct. 31, al-Maliki, trying to capitalize on American voter discontent with the war and White House reluctance to open a public fight with the Iraqi leader just before the election, won U.S. agreement to lift military blockades on Sadr City and another Shiite enclave where an American soldier was abducted.

But al-Maliki reportedly had a change of heart in late November while going into a

meeting in Jordan with President Bush. It has since been disclosed that the Iraqi leader's vision for a new security plan for Baghdad, to which Bush has committed 17,500 additional U.S. troops, was outlined in that meeting.

In a meeting before his session with Bush, Jordan's King Abdullah II was said by al-Maliki confidants to have conveyed the increasing anger of fellow Sunni leaders in the Middle East over the continuing slaughter of Sunni Muslims at the hands of Shiite death squads.

Until February, much of the violence in Iraq was the work of al-Qaida in Iraq and allied Sunni organizations. They had killed thousands of Shiites in random bomb attacks in what was seen as an al-Qaida bid to foment civil war.

When al-Qaida bombers blew up the Golden Dome mosque, an important Shiite shrine in the mainly Sunni city of Samarra on Feb. 22, Shiite militiamen, especially the Mahdi Army fighters based in Sadr City, stormed out of the poor enclave in a drive for revenge that has only grown in ferocity.

Pentagon to permit hearsay, coerced testimony in terror trials

By ANNE FLAHERTY

THE ASSOCIATED PRESS

WASHINGTON

The Pentagon's rules for upcoming detainee trials would allow terrorism suspects to be convicted and perhaps executed using hearsay evidence and some coerced testimony.

The rules are fair, said the Pentagon, which released them Thursday in a manual for the expected trials. However, they could spark a fresh confrontation between the Bush administration and the Democratic-led Congress over treatment of terror suspects.

According to the 238-page manual, a

detainee's lawyer could not reveal classified evidence in the person's defense until the government had a chance to review it. Suspects would be allowed to view summaries of classified evidence, not the material itself.

The new regulations are intended to track a law passed last fall by Congress restoring President Bush's plans to have special military commissions try terror prisoners. Those commissions had been struck down earlier in the year by the Supreme Court.

At a Pentagon briefing, Dan Dell'Orto, deputy to the Defense Department's top counsel, said the new rules will "afford all the judicial guarantees which are recog-

nized as indispensable by civilized people."

Rep. Ike Skelton, D-Mo., chairman of the House Armed Services Committee, said he planned to scrutinize the manual to ensure that it does not "run afoul" of the Constitution.

"I have not yet seen evidence that the process by which these rules were built or their substance addresses all the questions left open by the legislation," Skelton said.

Officials think that with the evidence they have now, they could eventually charge 60 to 80 detainees, said Brig. Gen. Thomas Hemingway, legal adviser to the Pentagon's office on commissions.

The Defense Department is currently planning trials for at least 10.

Bush making concessions to Congress as he settles into divided government

By TOM RAUM

THE ASSOCIATED PRESS

WASHINGTON

President Bush's about-face on warrantless wiretapping was the latest in a series of White House retreats and reversals. This is a different day for a president known for his stubbornness and insistence on seeing things his way.

In just two months, Bush has acknowledged making mistakes in Iraq, sacked Donald Rumsfeld at the Pentagon and given up the fight for John Bolton at the United Nations. He has echoed Democrats in promising a plan to balance the budget by 2012 after presiding over record deficits and tax cuts. And he's agreed tentatively

ANALYSIS

to increasing the minimum wage.

Bush seems to be bending to the realities of the new Democratic control of Congress and laying down markers to keep the final two years of his presidency from being seen as only about Iraq.

"It appears that Bush is cleaning up a lot of the outstanding cats and dogs prior to the State of the Union," said GOP strategist Scott Reed. "I think both sides are going to try to get something done for the next year before presidential politics totally consume the country," said Reed, who ran Bob Dole's presidential campaign in 1996.

Costs driving students to settle

Survey: More picking second-choice college

By JUSTIN POPE

THE ASSOCIATED PRESS

A growing percentage of students are settling for their second and third choices for college, a new national survey says. But that's not necessarily because they didn't get in to the one at the top of their lists.

Half of this year's freshmen attending a second-choice school were accepted by their top pick but chose not to enroll, and money appears to be a significant reason why.

The numbers come from the latest annual survey by UCLA's Higher Education Research Institute, which has tracked freshman trends for 40 years. Its latest report, released today, surveyed more than 271,000 students at 393 baccalaureate colleges and universities.

The survey found 32.7 percent of freshmen were attending college somewhere besides their first choice, the highest percentage since 1988 and the second-highest ever.

This year, for the first time, the UCLA researchers asked those students if they had been accepted at their top choice. The answer: Almost half, 49.8 percent, of those at their second-choice school had been accepted at their first. More than one-third attending their third and fourth choices had also been accepted at their first.

Of those students who got into their first-choice school but didn't enroll, about one-third said they couldn't afford it. Other reasons they gave included geography and athletics.

The survey may understate the impact of cost because it doesn't include community college or part-time students.

Magazine retracts car seat report

By JIM FITZGERALD

THE ASSOCIATED PRESS

WHITE PLAINS, N.Y.

Consumer Reports was forced on Thursday to retract a damning report on infant car seats after the federal government said test crashes on the seats were conducted at drastically higher speeds than the magazine had claimed.

The revelation amounts to an embarrassment for the trusted consumer guide, and a relief to parents who were frightened about their babies' safety after the original report came out.

That report said most of the seats tested "failed disastrously" in crashes at speeds as low as 35 mph. In one test, it said, a dummy child was hurled 30 feet.

But the National Highway Traffic Safety Administration said some of the crash tests were conducted under conditions that would represent being struck at more than 70 mph.

"Consumer Reports was right to withdraw its infant car seat test report and I appreciate that they have taken this corrective action," said NHTSA administrator Nicole Nason. "I was troubled by the report because it frightened parents and could have discouraged them from using car seats."

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