61,000 girls and 19,000 volunteers associated with the Girl Scouts. The Girl Scouts of the U.S.A joins a worldwide family of 9 million girls and adults in 136 countries as a member of the World Association of Girl Guides and Girl Scouts.

The Girl Scouts offer, for girls of every background, activities that enhance the development of confidence, determination, and the skills needed to succeed in today's world. One activity rich in Girl Scout tradition is the selling of Girl Scout cookies. This tradition, which began in Philadelphia, has been around since 1934. Many successful businesswomen today say they got their start selling Girl Scout cookies. Girl Scouts develop many skills during the annual cookie sales, such as establishing goals, handling money, and the satisfaction of finishing a job.

By cooperating with peers to achieve a common end, Girl Scouts learn valuable lessons in leadership. Countless civic, professional, and community leaders throughout our nation were involved in the Girl Scouts of the U.S.A. Six of my Senate colleagues here in the 105th Congress—BARBARA MIKULSKI, KAY BAILEY HUTCHISON, CAROL MOSELEY-BRAUN, PATTY MURRAY, SUSAN COLLINS, and MARY LANDRIEU—were all Girl Scouts.

Mr. President, for eighty-six years the Girl Scouts of the U.S.A. have instilled in American youth the qualities of the Girl Scout Law and Promise, which focus on serving God and country, helping people at all times, being honest and fair, friendly and helpful, considerate and caring, courageous and strong, responsible and respectful, and making the world a better place. These are truly honorable qualities to live by and I am proud to pay tribute to the young women who honor them daily and the volunteers who make the Girl Scout program a reality.●

CHILDREN'S HEALTH PRESERVATION AND TOBACCO ADVERTISING COMPLIANCE ACT

● Mr. REED. Mr. President, I rise today to announce legislation that would amend the Internal Revenue Code to deny tobacco companies any tax deduction for their advertising and promotional expenses, when those ads are aimed at America's most impressionable group, children.

This bill addresses a key element in our ongoing public debate on tobacco: industry's ceaseless efforts to market to children. My legislation can stand on its own, or can easily be incorporated into a comprehensive tobacco bill. With or without Congressional action on the state attorney generals' tobacco settlement, it is time for Congress to put a stop to the tobacco industry's practice of luring children into untimely disease and death.

I am pleased to be joined today in introducing this legislation with Senators BOXER and CHAFEE, and I would also like to recognize the leadership of my colleagues on this issue. Senator HARKIN, along with former Senator Bradley and others, has made continuous efforts over the years to completely eliminate the tax deduction for tobacco advertising. And while I concur with Senator HARKIN that the deduction is a questionable use of our tax dollars, I would like to emphasize to my colleagues that this bill does not eliminate the deduction for tobacco manufacturers, as long as they do not advertise to children.

Limiting the promotion of tobacco products to children is a necessary part of any comprehensive effort to prevent tobacco use by minors. My legislation offers a constitutionally sound way to enforce strong tobacco advertising restrictions, with or without federal tobacco legislation on the proposed tobacco settlement.

The advertising restrictions contained in our bill are included in S.1638, legislation introduced by Senator CONRAD, cosponsored by myself and 29 other Senators. S. 1638 establishes strong restrictions regarding the promotion of tobacco products to minors.

Under my bill, if tobacco manufacturers do not comply with the proposed advertising restrictions, the manufacturer's ability to deduct the cost of tobacco advertising and promotion expenses would be disallowed.

These advertising restrictions are appropriately tailored to prevent the advertising and marketing of tobacco to minors. The restrictions contained in this legislation are similar to those contained in the FDA rule and the June 20 proposed settlement. Key components of these restrictions include: a prohibition on point of sale advertising except in adult only stores and tobacco outlets; a ban on outdoor advertising within 1000 feet of schools and publicly-owned playgrounds, and outdoor advertising beyond those areas restricted to black-and-white text only; and, a prohibition on brand-name sponsorship of sporting or entertainment events.

On numerous occasions, tobacco industry executives have indicated that unless they receive liability protections, they will continue to advertise as they do now. Today I am offering an alternative enforcement mechanism because failure to act on this issue is a failure to meet the needs of our children.

YOUTH SMOKING

Mr. President, the importance of this issue is enormous. The facts speak for themselves. Today, some 50 million Americans are addicted to tobacco. One of every three long-term users of tobacco will die from a disease related to their tobacco use. About 3/4ths (70 percent) of smokers want to quit, but less than one-quarter are successful in doing so.

Tobacco addiction is clearly a problem that starts with children: almost 90 percent of adult smokers started using tobacco at or before age 18. The average youth smoker begins at age 13 and becomes a daily smoker by age 14½.

Each year, one million children become regular smokers—and one-third of them will die prematurely of lung cancer, emphysema, and similar tobacco caused diseases. Unless current trends are reversed, five million kids under 18 currently alive today will die from tobacco related disease.

In my home state of Rhode Island, while overall cigarette use is declining slightly, it has increased by more than 25 percent among high-schoolers.

It is far too easy for children to buy cigarettes and chewing tobacco through vending machines and at retail outlets. Despite the fact that it is against the law in all 50 states to sell cigarettes and smokeless tobacco to minors, children purchase an estimated $1.26 billion worth of tobacco products each year.

THE INDUSTRY'S TRACK RECORD

As we look to a bright future for our children, Congress must learn from the lessons of the past. Those lessons teach us that the tobacco industry made its money by marketing cigarettes to children, knowing full well that cigarettes are addictive products with severe health consequences. The proposed settlement reached last June is based on the presumption that this industry can and wants to change its corporate culture—a culture that has yielded incredible revenue by capitalizing on the vulnerabilities of our children.

The story of the tobacco industry and youth smoking in the United States is the story of the advertising industry. In the 1920s, cigarette manufacturers solicited doctors to try their products, later advertising ''20,679 Physicians Say Luckies are Less Irritating'' and ''For Digestion's sake, smoke Camels.'' In a case against Reynolds Tobacco, decided in March 1950, the FTC found that Camel advertisements had been worded in such a way as to declare that the brand was harmless, and, as such, were false and deceptive.

An advertisement in 1953 read: ''This is it. L&M filters are just what the doctor ordered.'' Another advertisement from that time period claimed: ''More Doctors smoke Camels than any other cigarette.''

And today, we have Winston ads that attempt to sound like a health food promotion, proclaiming ''no additives.'' The new Camel ad—''Live Out Loud''—is a not so subtle stand in for the ''cool'' Joe Camel.

From recently released documents, we know that the tobacco industry has sought to market its tobacco products to children for decades. News reports disclosed that an RJR researcher named Claude Teague had written a 1973 memo that stated ''if our Company is to survive and prosper, over the long-term we must get our share of the youth market.''

Documents obtained through the Mangini litigation further document these efforts. A Presentation from CA Tucker, Vice President of Marketing, to the Board of Directors of RJR Industries (Sept. 30, 1974) concluded: ''this

young adult market, the 14–24 age group. . .represent(s) tomorrow's cigarette business.'' That same presentation said: ''For Salem, significant improvements have been made in the advertising, designed for more youth adult appeal under its greenery/refreshment theme. These include: more true-to-life young adult situations. More dominant visuals. A greater spirit of fun. . .For Camel Filter, we. . .will have pinpointed efforts against young adults through its sponsorship of sports car racing and motorcycling.'' The Mangini documents also demonstrate that RJR has been secretly conducting extensive surveys of the smoking habits of teenagers for decades.

Given this track record, I am deeply skeptical of the tobacco industry and its willingness to change its behavior. Yet they say they are willing—my bill will put them to the test.

BILLIONS SPENT EACH YEAR ON TOBACCO ADVERTISING

At every turn, the tobacco industry has come up with a slick new way to hook kids on tobacco. And we know from research that advertising targeted to children can play a pivotal role in an adolescent's decision to smoke.

Through the years, the tobacco companies have designed a way to attract generation after generation to smoking. Examples of industry practices are endless. Eighty-six percent of underage smokers prefer one of the three most heavily advertised brands—Marlboro, Newport or Camel.

One of the advertising campaigns most markedly aimed at young people is the Joe Camel campaign. After RJ Reynolds introduced this campaign, Camel's market share among underage smokers jumped from 3 percent to over 13 percent in 3 years.

Although Congress banned cigarette advertising on television in 1970, tobacco companies routinely circumvent this restriction through the sponsorship of sporting events that gives their products exposure through television.

Data from the Federal Trade Commission indicates how much the industry spends on these activities. Advertising and promotion expenditures have increased tenfold since 1975. In 1975, the industry spent $491 million. In 1995 alone, tobacco manufacturers spent $4.9 billion on advertising and promotional expenditures.

The federal government subsidizes tobacco advertising through a tax deduction (generally a 35% deduction) for advertising expenses. In 1995, this subsidy cost the American taxpayers approximately $1.6 billion. In terms of lost revenues to the Federal Treasury, it is certainly not an insignificant amount of money.

In effect, the federal government is subsidizing the industry's advertising costs. For example, in 1995, the cost of the cigarette advertising deduction covered the total amount spent by the industry on coupons, multi-pak promotions, and retail value added items, such as key chains, and point of sale advertising—the kind of items that are most attractive to our children.

CONSTITUTIONAL ISSUES

The First Amendment does not entitle tobacco companies to target children. The Supreme Court has said that commercial speech enjoys only limited protection. It is interesting to note that tobacco companies have not challenged the right of the government to restrict their advertising in other ways, such as the 1971 ban on broadcast advertising for tobacco products.

The industry has said that it must be offered liability limits for them to ''consent'' to advertising restrictions. In effect, the industry is saying, if Congress wants the companies to stop illegal efforts to induce children to smoke, then Congress should protect the industry from legal action. And the hypocrisy of the industry's position is that they would like the immunity protections in statute but say that the advertising restrictions ''cannot be imposed by statute or by rule.''

Some in the industry have suggested that without liability protections, the tobacco industry will continue to market to children. A USA Today article on February 19, 1998 stated that industry spokesman Meyer Koplow ''warned that the industry might return to practices such as cartoon advertising if Congress fails to grant protection from lawsuits.''

The tobacco industry, the advertising industry, and others have said that they would challenge statutory restrictions on advertising. While I believe that S. 1368 and other proposals do not violate the constitution, I recognize the uncertainty surrounding the provisions in this and other bills.

What is certain is that Congress has the authority over the tax code. This legislation uses that authority to put an end to the tobacco industry's practice of targeting children.

Mr. President, I urge my colleagues to join me in this effort to protect America's children.●

CAMPAIGN FINANCE REFORM

● Mr. ABRAHAM. Mr. President, I rise today to express my opposition to the McCain-Feingold Campaign Finance Reform amendment.

First, I would like to point out that I consider myself, like many members of this Chamber, on the side of election reform. But, in my view, that reform must be crafted in such a way as to bring representatives closer to their constituents, not further open what is in many cases an excessively wide gap.

It was because of my commitment to effective electoral reform that I voted against this package the last time it reached the floor. Further, Mr. President, none of the changes this package has undergone lead me to believe that I should change that vote. On more than one occasion I have come to the floor to outline the standards which I believe any campaign finance reform legislation must meet if it is to be in the public interest, and if it is to gain my vote. McCain-Feingold continues to violate these standards, so I have no choice but to oppose it.

The standards I believe crucial in this area, and which this legislation violates, are straightforward and relate to the right of Americans to express their political beliefs and have those beliefs count in federal elections.

The first principle in this regard provides that reform legislation must be consistent with the First Amendment to the Constitution of the United States. I will not support any legislation establishing prior restraint on political speech or empowering any federal bureaucracy to constrain first amendment rights. Our Constitution's first amendment, and the guarantees it provides for political speech, are fundamental to our system of liberty and republican government. Because McCain-Feingold allows them to be circumvented, I cannot support this amendment.

The second standard I believe crucial in this area is the protection of state and local units of government. I cannot support campaign finance legislation if it impedes or intrudes on the prerogatives of the States and localities with respect to how they conduct political campaigns. Because McCain-Feingold continues to impose rules on state and local governments, I cannot support it.

The third standard for electoral reform is maintenance of a proper balance between the first amendment rights of actual candidates and their political parties, and the rights of those who are not directly in the political arena. McCain-Feingold violates this standard as well, by tilting the balance strongly in the direction of special interest groups.

Increasingly, Mr. President, political candidates and their parties are being pushed aside by special interest groups in the very process of campaigning, a process intended to bring candidates in close touch with their constituents. By encouraging this process, McCain-Feingold actually exacerbates a problem that is threatening the very functioning of our republican form of government.

As an example of this phenomenon, I would like to mention certain political advertisements taken out recently by campaign reform groups in my own state of Michigan. These advertisements singled out this Senator for criticism because of my opposition to this particular amendment. Ironically, had McCain-Feingold been in effect at this time, it is likely that the Michigan Republican party would have been incapable of answering these misleading advertisements. I would have been forced to look to other outside sources to mount a response, diluting the proper influence of the state party.

Fourth, Mr. President, campaign finance reform must be balanced, not favoring or punishing any one particular party. In violation of this standard,