The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL TOBACCO POLICY AND YOUTH SMOKING REDUCTION ACT

The Senate continued with the consideration of the bill.

Mr. DASCHLE. Mr. President, I don't know how many days it is that we have been on the tobacco bill now, but it is clear that we are not making any progress. I am increasingly frustrated by the degree to which many of our Republican colleagues, in the name of amending the bill, have stalled, obfuscated and, in many ways, attempted to defeat the legislation without any real sign of progress, without any real sign of coming to closure, without any real effort to find some resolution.

I have expressed my continued patience, my continued desire to find ways in which to move this legislation along. I give great credit to the manager of the bill, the chairman of the Commerce Committee, Senator MCCAIN, for his tireless efforts to move both sides along.

This has not worked. We have continued to be thwarted in the name of compromise, and in the name of negotiation, and in the name of consultation. Frankly, I don't know what other options there are but to file cloture on the bill. We may not win. I am prepared to acknowledge that unless we get many of our Republican colleagues to join us, we will not win. But I also understand that if we don't move this legislation forward, we will continue to be in a position of having to say no to other bills the majority leader may wish to bring up until we resolve this matter. We have said, as late as Tuesday, that we are not in a position to move to any other legislation until we finish this bill. I don't know how we can say it more clearly than that.

We want to finish this legislation so we can move on to other bills. There are a number of other pieces of legislation that ought to be addressed, and we recognize that. We are prepared to enter into time agreements on amendments. We are prepared to come to some time limit on the bill itself. But we have now virtually wasted the better part of a week waiting for colleagues to offer amendments, waiting for some resolution to the Gramm amendment, waiting, procedurally, to find some solution to the impasse that we now are experiencing.

So, Mr. President, I really have no choice but to offer a cloture motion, with some frustration, and with the realization that it may take more than one. We may have to file several cloture motions. But, beginning today, I will take whatever action is necessary to expedite the consideration and ultimately the solution and the conclusion to this legislation.

We have a lot of people who have invested a good deal of effort into this legislation; three of them are on the floor right now. I thank them for all they have done to bring us to this point. But unless we take it to its final conclusion, all of the thousands of hours spent by the Senators who are on the floor already, invested in time and good-faith efforts to move us to this point, will be for naught. I don't want to see that happen. I don't want to see this necessarily as a Republican versus Democratic debate. But, frankly, it becomes more and more apparent that we are not getting the help—with the one stellar exception of my friend and colleague from Arizona—in getting this legislation passed. So we are very hopeful that we can move this legislation and find some way to resolve the matter.

I understand that I can't file until 2:15 under a previous agreement. I will certainly wait until then.

Let me just make sure that our colleagues understand where things stand. Right now, we are discussing the motion to recommit offered by the Senator from Texas, Senator GRAMM, with amendments pending to that motion. The Gramm amendment would cost $52 billion. It would rob the bill of any real opportunity to address research in health care, to address the targeted approach that we are attempting to make on advertising and reducing teenage smoking. It would reduce every option that we have available to us to reverse the trend and reduce teenage smoking in this country. Why? Because the Senator from Texas believes that we ought to address the marriage penalty.

Unfortunately, Senator GRAMM's amendment doesn't address the marriage penalty alone. In fact, one could argue that it has little to do with the marriage penalty. It has everything to do with spending the tobacco revenue raised in the health fee. We are presented with an option that is a Hobson's choice for many: reduce taxes for those who are under $50,000, or reduce teenage smoking, reduce the number of children who are dying from smoking. That is the choice. While we debate this choice, 3,000 kids a day choose to smoke for the first time. A large percentage of those—some say 40 percent—are people who ultimately will die from the habit at some point in their life. They get cancer and ultimately succumb to cancer because they started smoking too early, without knowing the facts, without being able to quit once they had started. That is the issue here.

Can we prevent young people from acquiring this terrible habit and from dying because of it? Can we target advertising and research, and can we find ways in which to ensure that we can turn the trend around for the first time? Or are we going to spend that money for something else? Mr. President, Democrats have come up with an alternative.

Mr. MCCAIN. Will the distinguished minority leader yield for one question?

Mr. DASCHLE. Without losing my right to the floor, I yield to the Senator from Arizona for a question.

Mr. MCCAIN. I appreciate the Senator's frustration, and to a large degree I share it. I wonder if, with the knowledge that the Senator from Texas and I are continuing negotiations in the next few minutes, the distinguished Democratic leader would agree to withhold that until, say, an extra additional 15 minutes just so I can make one final attempt to get an agreement with the Senator from Texas on his amendment. Then I think we may be able to move forward.

Mr. DASCHLE. I will agree to withholding filing of the motion so long as I don't lose my right to file the motion. If that takes retaining the floor, I intend to do so. But I will certainly allow the Senator from Arizona whatever time he may require to talk to the Senator from Texas.

Mr. President, let me just say that is really the essence of this argument. Can we stop kids from smoking? Can we turn this around, or not? And can we find a way with which to address the concerns expressed to us by many of our colleagues?

We believe we can address the marriage penalty for a whole lot less than $52 billion. But our objective is not to gut the bill. Our objective isn't to say we are going to use up all that money because we don't want to spend it on stopping kids from smoking; we don't want to spend it on research; we don't want to spend it on tobacco farmers; we don't want to recognize what has already been achieved in the State-by-State negotiations on this issue and the tremendous effort put forth by attorneys general all over the country in an effort to resolve this at the State level. The Federal Government didn't do that. For whatever reason, we didn't go to court. The States did. Now that the States have racked up their victories, and now that they are expecting some way to resolve this matter, we are saying: We are going to use that money, too; we are going to take the money that you have already won in court fairly and squarely against the tobacco companies, and we are going to spend it; we are going to spend it on a tax cut.

So this gets interesting as we go on. We are saying we ought to respect the decisions made by the attorneys general, we ought to respect the decisions made by the committees of the Congress, and the Senate in particular, in recognition of the fact that we have to find new ways to target those who are most vulnerable to campaigns by tobacco companies today to get them to smoke. We think that is worth an American investment. We think it is worth an American investment to put some real effort into research on how we cure diseases that have been connected to smoking. We think it is important that we find ways with which to rid this country of the production of tobacco products and to encourage tobacco farmers to find other ways to make a living. That is what this is about.

Mr. President, there is no choice. We can continue to talk. We can continue to find ways with which to obfuscate. But it really comes down to this: Do you want to pass a tobacco bill or not? We are getting a resounding ''no'' on the other side of the aisle. We are getting an absolute, emphatic ''no,'' exclamation point, ''we don't want a tobacco bill.''

We have come to a point that we do not have any choice. We must move this legislation forward and use the parliamentary and procedural methods available to any Senator to begin to curtail debate, recognizing that every Senator who still has a germane amendment would have the right to offer an amendment.

But having been on this bill now for 2 weeks, and now recognizing the majority leader's frustration and impatience with our slow progress, his desire to move on to other bills, I, frankly, wish that we could do this together. I wish he and I could file this cloture motion. He has filed cloture a lot faster on virtually every other bill that has come to the floor than on this one. But I understand the difference in the initial position with regard to where we are on this legislation. So I wouldn't expect him necessarily to be enthusiastic about doing it. But we have to move on. We have to find a way with which to address this bill in a more consequential and productive way. That, in essence, is what it is we are attempting to do.

We have a series of amendments. The Durbin amendment, which, in my view, is one of the final and very important pieces of legislation that we want to address on this side, a piece of legislation that would be designed to strengthen the so-called look-back, or the targets that we set out, to reduce teenage smoking—I don't think that is necessarily anything anybody ought to have trouble considering, or ultimately debating. We haven't even been able to debate that. We have had to wait.

Mr. President, I say with all sincerity—I don't see the Senator from Arizona on the floor. He had asked that I postpone the filing of the cloture motion, and I have agreed to do so. But I am prepared to file it assuming that there is no other reason for him to ask for additional delay.

CLOTURE MOTION

Mr. DASCHLE. Mr. President, at this time I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate hereby move to bring to a close debate on the modified committee substitute for S. 1415, the tobacco legislation.

Senators John Kerry of Massachusetts, Robert Kerrey of Nebraska, Kent Conrad, Harry Reid of Nevada, Paul Wellstone, Richard Durbin, Patty Murray, Richard Bryan, Tom Harkin, Carl Levin, Joe Biden, Joseph Lieberman, John Glenn, Jeff Bingaman, Ron Wyden, and Max Baucus.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. LOTT. Mr. President, I must say that I think it is unfortunate that this process has been adopted by the Democratic leader. I had indicated all along that at some point, if it was necessary, I would be prepared to consider cloture but not until we had an opportunity to debate and vote on some amendments that clearly are important to Senators and until we had time to have debate on this bill in general.

There are still some very important amendments pending: The Durbin amendment, the Gramm amendment, and we have the drug amendments. We have at least two substitutes that would be cut off from being offered: The Hatch substitute, which I know a number of Senators would support, and it is something much closer to the original settlement agreement that was entered into than anything else that is pending around here now; plus the Domenici-Gramm substitute.

I think most Senators would acknowledge very readily that those two Senators are very thoughtful Senators and have given a lot of thought to an alternative approach. Yet there is a choice here. The choice is: Do you want a bill or not? If you want a bill, this is a good step toward having nothing happen, because this further sours the well. Yes; I would like to see things move along on this bill and on to other bills and other issues that I know Senators on both sides want to address, but you have to also allow Senators to be able to work through the problems and come to an agreement.

If we stay on this bill, we are going to have a vote on the Gramm marriage penalty tax elimination. We will have it this year in some other form or another. It seems to me like this is one way to help address some of the concerns about the excessive amount of money that is in this bill. It is clearly way beyond what is necessary to fight teenage smoking, or even teenage smoking and drug abuse, address some of the health care problems, and address the needs of the farmers. It goes way beyond all of that. That is the problem.

As I have said in other forums, this has become a problem of greed. Everybody who touches this bill adds to it. It grows like Topsy. What is our goal here? To have a whole, big, new Federal program outside the regular budget process, or to address the problem of smoking, and teenage smoking, in this country?

I had been working on and had kind of sent word to the Democratic leader informally—and I did try to call him, and we were both going back and forth to our luncheons—I had a unanimous consent agreement here that I was working on, and was prepared to work with him on, that would set up a process for us to have a vote on Durbin, although I think Durbin is a very bad amendment. It is another jump, more cost, another hit on actually getting something done. That is one of the problems here. I am still trying to figure out, do Senators, and do the health care community people, and the attorneys general want a bill?

Do you want an issue? Do you want to do something about this problem or do you want to play games? It is not clear to me because everybody keeps adding to it, adding to it, and it is just going to collapse out here in a great, humongous pile of nothingness.

But I was going to suggest we have a vote on Durbin at 5:30 today, and that we have a time agreement on the Gramm amendment and a vote on it, and a vote on the drug amendment, and that—I assumed at some point the Democratic leadership might have a tax amendment of their own, and we would start going on down the trail. I don't like it when we basically—people say we have to make progress; we have to get this bill done. Where is the progress? This week, we can't blame each other for yesterday; we had a funeral for a former Senator. We had to go to that. We have problems with Senators being here on Monday. We have problems with Senators—I won't get into all that.

But you cannot make progress until you make progress, until you are here and you have Senators prepared to vote. And that is one of the unique features of this creature, the Senate. Things move very slowly, they look like they are not moving at all, and it looks hopeless, and then all of a sudden you get ready to vote. I thought we were close to getting ready to vote.

So I think this is not a positive thing to happen, and I will urge every Republican Senator to vote against cloture. If we don't get cloture, then what? Then what? I thought at some point next week after we voted on Durbin and Gramm and the drug amendment and Hatch and the Domenici-Gramm substitute, maybe a couple other Democrat amendments, at that point we could have sort of a bipartisan effort to see if the Senate was ready to go to cloture and get to a vote.

This undermines that. I understand why it is being done, but I think it is counterproductive, and I hope the Senate would defeat this overwhelmingly. I view it as another blow to our chances of actually addressing this issue in a responsible way and getting on to other important issues.

I must say I thought that Senator GRAMM and Senator MCCAIN and others who were interested in how you deal with the marriage penalty tax were very close to an agreement—maybe not exactly the way Democrats would like it or the White House would like it, but something that would have been fair for both of us to have and we could

make progress on other things. But c'est la vie, this is it. You filed a cloture motion. And also, by the way, that cloture would ripen on Monday, and I think that is going to be a problem for the leadership and a number of Senators, and we will have to discuss when and how that vote would occur.

I hope all concerned would reconsider their thinking on how we bring this to a point where we could get some votes and make progress. I really believe, I said publicly, that if we had a tax cut provision added and we had a drug provision added, then the prospects for the bill would be helped substantially; we might actually get a bill through the Senate. Without that, we are going to be sitting around here. If you want to sit around and shout to your feet for the rest of this month and all summer long and try to make out this is a totally partisan thing, that is OK, too. That is OK. I am relaxed. We can just waffle along here and look pathetic if everybody wants to do that. Or we can decide how we are going to get together and make something responsible happen.

I yield the floor, Mr. President.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, let me just respond to a couple points made by the distinguished majority leader. First of all, I only wish I had had his text in front of me when we took up the Coverdell bill, when we took up a number of other pieces of legislation earlier this year, because I can recall his passionate determination to get time agreements, to stack votes, to find a way to come to closure in a matter of a couple of days, a couple of days, and were it not for the fact that we had the votes to hold off on cloture, I don't know where that would have gone. We finally came to a resolution on the Coverdell legislation because we were able to come to some agreement on how we would proceed on amendments.

Now, I am perfectly willing to ask unanimous consent to withdraw the cloture motion if we can get an agreement on the process and some time agreements by which we can have these amendments considered.

Now, I don't know why, but I have been told—and I will admit I haven't talked directly to the majority leader—that the Republicans are refusing to allow the Democratic tax amendment to either precede or immediately succeed the consideration of the Gramm amendment. They don't want them back to back. I don't know why. And if that is not accurate, I hope somebody will tell me.

We have offered to have a limited amount of debate on the Gramm amendment, a limited amount of time on the Democratic amendment, and then let's have two votes back to back. We can do that this afternoon. I am prepared to have a vote, I would suggest, at 5 o'clock today. Let's have the debate on the Gramm amendment, the debate on the Democratic amendment, and then two votes, and we are out of here on taxes for a while. Then let's go to the drug amendment, let's go to the Durbin amendment. We can stack those votes. We can have all four of those votes tonight. But I bet you I won't hear that offer made by the other side. For some reason that isn't good enough. It was good enough for the Coverdell bill, but it is not good enough for the tobacco bill.

Mr. LOTT. Will the Senator yield?

Mr. DASCHLE. I would be happy to yield.

Mr. LOTT. I heard through the news media that the Senator was proposing a process to have those votes back to back, and, oh, by the way, they are going to be king of the hill; that the last one who wins, you know, wins. That's it.

I did not have that proposal come to me in any form, and I would not agree to that. I am prepared to say we are going to get a vote on Gramm, and in some logical order, I assume, we have a deal here where we are alternating back and forth—we offer an amendment; you offer an amendment. And the Democrats could offer an amendment at some point on taxes in the regular order. We could not prevent you from doing that.

But that was not the way it came to me. And it did come to me through the media in a way that certainly would not be acceptable.

Mr. DASCHLE. Mr. President, since I retain the floor, let me just respond to my colleague. First of all, we are not going back to back. The last amendment prior to the Gramm amendment was a Gregg amendment. So instead of going Republican-Democratic, we went Republican-Republican. So that pattern was lost already.

Mr. LOTT. Will the Senator yield on that point?

Mr. DASCHLE. I would be happy to yield.

Mr. LOTT. Because he is right, and I think that was a mistake. And I objected to that at the time. I think everybody who was on the floor knows that. I did not appreciate the fact that the going back and forth was interrupted. The Senator from Texas knows that, and he has indicated, to his credit, that he was not really intending to break up that sequence. We did break up the sequence, but I do not think we should let that block us from proceeding in that way in the future, a fair way where we offer our amendment, you offer your amendment, and we go back and forth.

But you are right about that. The order was broken, and I certainly did not like it.

Mr. DASCHLE. While the majority leader is still standing, let me retain the floor and ask him the question. Would he agree with me to a 2- or 3-hour time agreement to be divided equally on the two amendments relating to tax, the Gramm amendment and the Democratic amendment, and that two votes be cast at the end of that time in sequence of his choosing? Would the majority leader agree to that proposal?

Mr. LOTT. Mr. President, I would not agree with that at this point. I am not saying that at some point we might come to some sort of understanding of how this would be handled. The first thing is, I think, the Senator from Texas and Senator MCCAIN have got to come to an agreement on the content. That is one of the reasons why we can't go on procedure—until you get something that is worked out, hopefully that everybody can support, because when we get a vote on the Gramm amendment, on the marriage penalty tax, it is going to pass overwhelmingly. A great majority of the Democrats are not going to be able to vote against that. They are going to vote for it. So it is going to pass.

But what I would say is I have a unanimous consent agreement right here that would allow us to set up a process to move forward with consent to get a vote on the Durbin amendment at 5:30, and that following disposition of the Gramm amendment Senator COVERDELL be recognized to offer a first-degree amendment relative to drugs, there be 2 hours of debate on that—and that there then would be debate on the Coverdell amendment and a vote on that after 2 hours.

We have a unanimous consent request here that we would be willing to offer, and then we could go back to your amendment, we go to a tax amendment, if you want to do that.

But here is the other side of it. You have to get unanimous consent. And our people are not going to agree to an arrangement at this time where you get some vote on a subsequent tax proposal that would be the king of the tree. I think when the thing is done, when we get an agreement, you are going to vote for the Gramm amendment and that is what will prevail, and we will move on. But we have to try to come to an agreement on that or we are not going to go anywhere. If that is the way it is going to be, that is the way it is going to be. I have been trying to help make this thing move from a procedural standpoint, but if we want to let it collapse on this line, OK with me.

Mr. DASCHLE. Mr. President, the majority leader has just made my point probably better than I can. What he has said is that this offer to have two amendments, one Republican and one Democrat, both dealing with tax, under a time agreement, is objectionable to them.

My point originally was the reason it is objectionable is because they don't want to get this legislation passed. They do not want to see closure to it. That is really what is behind all of this. This is not some concern about a tax amendment. This is concern about ultimately moving this legislation to a point where we can get completion.

The reason the majority leader cannot get unanimous consent is not because it is not fair. It is because there are colleagues on his side who want to drag this out past the Fourth of July. They want to start using the clock. That is what this is about. You want a blow-by-blow account of the play-by-play action here? It is that. We are simply playing the clock. Because if you play it long enough, we run out of time and then, guess what, we do not pass a tobacco bill.

We can play that. We can stay on this bill through June, if we want to. But I am telling you, this legislation ought to pass. It is about saving kids' lives. It is about making them healthy. It is about coming up with new tobacco policy, and we are prepared to stick to whatever it takes to see that we get that done.

I don't understand why that would not be a fair proposal. I am disappointed that our Republican colleagues object to what is a reasonable proposal. When I used the reference ''king of the hill,'' I was simply saying you have two proposals, both pending, both being debated, and Republicans and Democrats both roll the dice. Let's see what the majority of Democrats and Republicans support with regard to the options presented to them.

We have an amendment. They have an amendment. Maybe the leader is right. Maybe both amendments will pass or both amendments could fail. He thinks there is a majority support for the marriage penalty amendment. I think he is probably right. The question is, What is the amendment? The Gramm amendment goes way beyond marriage penalty. It goes way beyond it. Don't anyone be confused about that. This is not a marriage penalty amendment. You can find marriage penalty in it, but it goes beyond that, and he is prepared to spend $52 billion going beyond that.

Now I understand he wants to pull it back some, but there is no question the majority of what the Gramm amendment would eat up would go to research, would go to kids, and would go to farmers. We know that. So we will have to wait until another day to have our debate and have a good opportunity to consider competing proposals. But we are prepared to do that. We will do it Monday next week, Tuesday, whenever. But we will be here. I yield the floor.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, I want to point out we could have had a vote on the Gramm amendment last week. I was perfectly willing to do that, I believe it was last Thursday. We were ready, I thought, to go to a vote on Durbin and Gramm last week. As I recall, there was objection to that from the Democrats. So if you talk about delay or time being consumed, it was because we could not get an agreement worked out on Thursday how we could go ahead and vote on the two of them.

What I am proposing here, or have been prepared to propose, is we have a vote on the Gramm penalty tax amendment, the Durbin look-back provision, the Coverdell drugs provision, and a Daschle or others marriage penalty provision. That is Republican-Democrat, Republican-Democrat; it is a way to deal with this thing.

But let's set that aside. You know, there is concern that has been expressed about the cost of the marriage penalty. How about the American people who are paying that tax? A penalty for getting married? They cannot help it, if it is so unfair a tax, that young couples all over America are getting hit with this tax just because they got married? So what we are saying is, ''Oh, well, to eliminate this unbelievable tax that is in the Tax Code it costs too much money, so we want to squeeze down what Senator GRAMM is proposing to less and less and less.'' What we ought to do is eliminate the marriage penalty tax altogether. Right away. Flat out. Whatever the cost is.

Mr. KERRY. Let's do it.

Mr. LOTT. This is one way to help deal with the problem that this tobacco bill costs somebody money. It doesn't come from heaven. Somebody is going to pay for this. This is one way, and it is targeted, by the way, to couples earning under $50,000, as I understand it, to help the people at the lower end of the tax structure by getting rid of this tax penalty.

You are talking about these other people. Yes, we ought to have a campaign to fight teenage smoking and drug abuse, but we don't need all these hundreds of billions of dollars to do that. This is a way—and everybody involved understands it, really—this is a way to help make it possible for this legislation to get through the Senate and maybe, eventually, get to a conclusion.

Does the Senator from Massachusetts want me to yield?

Mr. KERRY. I do not want to interrupt the leader.

Mr. President, I wanted to ask the Senator, the majority leader: It seems to me I recall a conversation that the minority leader, the majority leader, Senator GRAMM and Senator MCCAIN and I had together at the desk right behind Senator GRAMM just about 2 days ago, in which we had originally broached to the majority leader the notion that there would be two votes, almost simultaneously. So the majority leader was, in fact, aware that was what we sought.

Mr. LOTT. If I can reclaim my time, I remember that meeting, and I was there for part of it and went to take a phone call. When I was listening to that discussion, it was a discussion about how and when we were going to vote on Durbin and Gramm. Maybe at some subsequent point the discussion turned to, really, some alternative to Gramm. But, you know, this is something that has evolved, as far as I can tell, since we met. We were having that discussion, whenever that was—Tuesday, I guess it was.

Mr. KERRY. Again, if the leader will yield for a question, isn't it a fact, though, the unanimous consent request that the leader is proposing, while it ostensibly sets up a Democrat-Republican alternative, it is not, in fact, allowing for the Democrat alternative on the marriage penalty to be voted on at the time that the minority leader has requested?

Mr. LOTT. There would be one intervening amendment. What is the problem?

Mr. KERRY. Would they be the same day? Same time? Could they be this afternoon?

Mr. LOTT. They could be. I don't see any problem. I would like for us to have it in the same day, because it means we would be making progress. I would like us to have the opportunity, on the tax issue and tobacco bill, to have more than one vote in a day. Maybe we could get two or three votes. That would be healthy. I would like to see us make progress on that. I think we could work that out. We don't want a separation of days.

I just object to the ''king of the hill'' type approach which goes—that is a throwback to the House. But having it the same day, that would be fine with me. We are not interested in getting a day's or a week's separation. If we are ever going to find a logical way to conclude this thing, you have to make progress and have more than one or two votes in a day.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Mr. President, let me just say, my offer stands. We are prepared to negotiate some time agreement, some way with which to deal with these amendments. And if we can do so satisfactorily to both sides, I am prepared to ask unanimous consent to revoke the cloture motion for now. I will talk with the majority leader and we will see if we cannot resolve it. Perhaps this discussion, if nothing else, has moved us closer to that point.

He did make a point, though, that I think has to be responded to, and that has to do with money which is being allocated here. He said, What is wrong with dealing with the marriage penalty? Shouldn't we address the inequity there? Let there be no mistake. We are prepared to address the inequity in the marriage penalty. Our amendment would do that. We are simply saying we don't want to do it at the expense of revoking the commitment made to the attorneys general, made to the States, made to tobacco farmers, made to children, made to the researchers—made in all of those ways that has set up this comprehensive tobacco policy which we hope to address over the course of the next 10 years. We don't have to do that. We don't have to destroy that.

So there is nothing wrong with dealing with the marriage penalty. But to

say we are going to do it at the expense of everything else is the problem Democrats find with the Gramm amendment. It also begs the question, what about the cost to Medicare and Medicaid from smoking-related illnesses? Should that not be addressed? Isn't that an inequity? The American taxpayers are paying huge—billions and billions of dollars, huge amounts of money to pay for the programs that we have set up to deal with health care; Medicare and Medicaid, the two most consequential. More and more billions of dollars are spent every year dealing with smoking-related illnesses. Isn't it important for us as a Nation and this Senate to recognize that and deal with it?

What the Gramm amendment says is, ''No, it isn't. No, we are going to spend it on a tax cut. We think that is more important than anything else, over and above the commitment to the attorneys general, over and above the commitment to the farmers, over and above the commitment to the children, over and above the commitment to the Medicare and Medicaid.'' That is the problem we have. That is why there hasn't been an ability to find some common ground. So long as that becomes the only way with which to spend resources, we think there is a better way, a more prudent way, a more balanced way, and that is what this debate is about today. I yield the floor.

Mr. CONRAD. Will the Senator yield for a question?

Mr. DASCHLE. I will be happy to yield to the Senator from North Dakota for a question.

Mr. CONRAD. I ask the Senator from South Dakota, isn't it the case that the amendment of the Senator from Texas, Senator GRAMM, doesn't just deal with the marriage penalty and give benefits to people who are hurt by the marriage penalty, his amendment goes way beyond that? It actually gives benefits to people who benefit by being married; isn't that the case?

Mr. DASCHLE. That is the case. Those who benefit by being married are benefited even more by the Gramm amendment. The Senator from Mississippi, the majority leader, was saying how important it was that we not overextend the reach here. His admonition to the Senate was, ''Let's take a look, let's step back and make sure we are not just overreaching.'' Well, if there was a definition of overreaching, I don't know that I could find a better example than the Gramm amendment because of exactly what the Senator from North Dakota has noted.

Mr. CONRAD. Will the Senator further yield?

Mr. DASCHLE. I will be happy to yield to the Senator from North Dakota.

Mr. CONRAD. Isn't it the case that the amendment that we would like to offer on our side would actually target those affected by the marriage penalty? So if the rhetoric from the other side is, if you want to deal which those hurt by the marriage penalty, we are prepared to do that. The amendment on the other side goes way beyond those hurt by the marriage penalty and actually gives benefits to people who are benefited by marriage in the Tax Code.

So wouldn't it be the case that what we are prepared to offer will address directly the marriage penalty, and why then is the majority leader resistant to the very fair notion that if he says he endorses again going back and forth between Republicans and Democrats, that he would allow the Democrats to decide which amendment is offered on their side? Isn't that a fair result?

Mr. DASCHLE. That seems to me to be a fair result. I don't know if they would stand for us telling them what their Republican amendment is going to be. But that is, in essence, what they are asking us to accept. We will tell you what Democratic amendment we will allow you to offer, and if you don't agree, you are the ones holding up progress. We can't accept that. Obviously, we can't accept that.

Mr. CONRAD. I have been in the Senate 12 years. I must say I don't recall a time when the majority leader said to the minority, ''We will not only decide what amendments are offered on our side, but we'll decide what amendments are offered on your side.'' Is this something the Senator from South Dakota has seen before?

Mr. DASCHLE. Like the Senator from North Dakota, I have been around here a while, too, and this has been a first for me as well. It doesn't come often. To have the quarterbacks all on that side deciding the amendments to be offered is an interesting set of circumstances.

The point the Senator from North Dakota makes is right on the mark. We are giving benefits to, in the name of the marriage penalty, married people who have no tax penalty, who actually benefit from being married. But the real irony, the real sad aspect of this, Mr. President, is we are doing it at the expense of those smoking-related illnesses in Medicare and Medicaid. We are doing it at the expense of tobacco farmers; we are doing it at the expense of children; we are doing it at the expense of research; we are doing it at the expense of a comprehensive attack on teenage smoking.

That is the real irony here, and that is why a lot of us feel very mystified by this proposal and by the approach the Republicans are insisting on and troubled by the inequity, not only procedurally but in substance, with the amendments they are demanding that we consider.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The majority leader.

Mr. LOTT. Mr. President, just one brief response to the Senator from North Dakota. If he has been here 12 years, then surely he remembers Senator BYRD and Senator Mitchell doing just that. I remember many occasions in my time here that they dictated and filled up the tree. I learned the way of doing business around here from them.

I might also note, to make every taxpayer punished by the marriage penalty even with unmarried people costs $38 billion. If we are serious about really eliminating this penalty, that is the cost. I believe the Senator from Texas has a proposal that unfortunately is below that. It is less than that. He would like to completely eliminate it.

In the interest of trying to come to some accommodation so we can get a vote and still leave money for legitimate programs, like the teenage smoking cessation program and the Medicaid programs in the States, he has been prepared to negotiate below that level. I am not sure he should have gone down as far as he has.

Does the Senator from Texas wish to get into this debate?

Mr. MCCAIN. Can I just make one comment?

Mr. LOTT. He has been waiting.

Mr. GRAMM. I would like to respond to the minority leader, if I may.

Mr. LOTT. Let me go ahead and yield to the Senator from Arizona.

Mr. MCCAIN. What is happening now is what I feared would happen to this bill. It is starting to get very partisan. A lot of things are being said which are not necessarily helpful to the process. I hope that we can end this dialog, now that we have all made our points, and try and sit down and move forward or agree to just move on to other things. I don't think it helps anybody for us to start accusing each other of bad faith or parliamentary maneuvering. I hope that we can move at least——

Mr. LOTT. I say to the Senator from Arizona, I think that is exactly what is happening. And I do think the well is being poisoned tremendously by what has been going on here in the last few minutes. I yield to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. I don't want to get into a long argument with the minority leader, but I have to explain what this is about, in case somebody tuned in the middle of all this.

For several weeks our Democratic colleagues have stood on the floor of the Senate and denounced the tobacco companies, with great justification. But they have proposed a bill that imposes taxes principally on blue-collar Americans, and they have in their bill an incredible provision that mandates tobacco companies to pass the tax through to the consumer.

Despite the fact that it sounds like we have come to a lynching of tobacco companies, the reality is we have a confiscatory tax on their victims, the people who smoke. As my 85-year-old mother has observed, ''You are saying to me I have been victimized, and then instead of taxing the tobacco companies, you are taxing me.''

The tax in this bill is imposed on very moderate income people: 34 percent of it is imposed on those who

make less than $15,000 a year; 47 percent is imposed on those who make less than $22,000 a year; 59.1 percent is imposed on those who make less than $30,000 a year.

Our colleagues say this is not about money. It is not money they want. It is just coincidental that they get $700 billion from blue-collar workers in higher taxes. What they want is to raise the price of cigarettes. My amendment simply says raise the price of cigarettes, but rather than impoverishing the victims, the people who have been induced to smoke, let's take a portion of the money, in this case roughly a third of it, and let s give it back to moderate-income families by eliminating the marriage penalty for families that make $50,000 a year or less.

I basically view this as a rebate of part of this tax. I am trying to take our colleagues at face value as to what they say they want to do. They say their objective is to raise the price of cigarettes not to pass one of the largest tax increases in American history.

When I offered the amendment that would give a third of the money back to blue-collar workers, suddenly our colleagues were all up in arms, and we find ourselves in this situation.

Mr. KERRY. Will the Senator yield?

Mr. GRAMM. I do not yield. I listened to everybody else talk. I simply want my turn.

Mr. KERRY. Will the Senator yield for a question of fact?

Mr. GRAMM. I do not intend to yield until I am through. We hear the minority leader say that we can't afford to give a third of the money back to blue-collar workers who, if they smoke one pack of cigarettes a day, will pay $1,015 of new Federal taxes. People making less than $10,000 a year will see their Federal tax burden go up by 41.2 percent because of this bill. They say we don't have a nickel in this bill that we could give back to blue-collar workers who have been victimized by the very tobacco companies that they denounce. But it is interesting that while they do not have a penny to give back to working people, they have $28 billion to give to tobacco farmers.

Let me try to set this in perspective. Under a provision in this bill, tobacco farmers would be paid $21,351.35 an acre. We would make a payment to tobacco farmers of over $21,000 an acre, and then they could continue to grow tobacco under the same program they grow tobacco under now.

I can go out today and buy a quota to grow tobacco for $3,500 an acre, but yet we are proposing in this bill to pay $21,351.35 for what can be bought for $3,500 today? Why? Basically because this bill is not about teenage smoking, except for about 10 pages of it. And 743 pages of this bill are about the most egregious kind of spending that has ever been observed anywhere in the history of this Government.

Mr. FORD. Mr. President, would the Senator from Texas yield?

Mr. GRAMM. I will not yield.

Mr. FORD. You keep talking about the farmers and misrepresenting it. I just want to correct you.

Mr. GRAMM. I always stand ready to be corrected.

Mr. FORD. You will be.

Mr. GRAMM. I am simply reading numbers out of the bill. Basically, we have 743 pages of mandated spending on everything from maternal and child care health services, funding child care, mandating funding under child welfare, title IV, section (B), and mandating that the funds in this bill be spent by the States be spent on the Department of Education, Dwight D. Eisenhower Professional Development Program, under title II of the Elementary and Secondary Act.

We have in this bill what some estimate is the ratification of a settlement that will pay attorneys $100,000 an hour. Yet we do not have enough money to prevent the impoverishment of blue-collar workers who have been victimized by the very tobacco companies that we assail.

This bill gives all this money—endless billions—to all these groups in the grossest giveaway that I have ever observed in my political career. Groups that would have been happy with hundreds of dollars, in this bill we give them billions of dollars, because the mentality is, as one office seeker called it: ''We won the lottery.'' Well, unfortunately, this is a lottery that is paid for with taxes imposed on blue-collar workers.

What I have proposed to do is to simply take a third of the money so that we still get the full impact of raising the price of cigarettes. However since our colleagues claim this is not about money, I would like to give part of the money back to blue-collar workers by repealing the marriage penalty on moderate-income families who make below $50,000 a year so that we do not end up impoverishing the victims of the whole effort to induce people not to smoke.

Also, let me say that it is not possible to effectively spend the amount of money that is allocated in this bill. It is not possible to spend the billions and billions and billions of dollars in this bill, nor is it wise public policy. So I think if you really wanted to have a bill and you wanted to raise the price of cigarettes, that you would raise the price of cigarettes and you would take the bulk of the money and cut taxes on moderate-income people who are going to pay the costs. So you discourage people from smoking but you do not pound them into the ground economically. That is what I am proposing to do.

What is this deal about suddenly the Democrats want to cut taxes? What is all that about? Well, what it is about is, they think that if they can guarantee their Members that they will immediately get the vote on a figleaf amendment right after we have the real vote, that they can get every Democrat Member to vote against repealing the marriage penalty.

Basically, let me tell you what will happen. I just want to ask people who might watch this vote to watch it happen. When my amendment is voted on, because if anything is voted on, this amendment is going to be voted on, when we reach 51 votes on my amendment, you are going to see about 20 or 30 Members rush down and vote for it right at the last minute. It will pass with 65, 70, 75 votes. But if it only gets 49 votes, none of them will rush down, because what the minority leader is trying to guarantee them is that if they vote against the amendment to repeal the marriage penalty, that they are going to get a vote later on. Their amendment will be a much smaller tax cut, but when they get asked back home, ''Well, weren't you willing to repeal the marriage penalty on working families?'' They are going to say, ''Oh, yeah, I was for it. I just wasn't for that provision. I was for another provision, but I wasn't for that provision.''

So I do not know if anybody is going to be fooled.

Mr. KERRY. Will the Senator yield?

Mr. GRAMM. But the issue really boils down to this: You can denounce the tobacco companies all you want to and rejoice in it. I would join you if I thought it would do any good. But I think we are doing it so much, I am not sure it is achieving its stated objective. In the end, you are not taxing tobacco companies. In the end, you are taxing blue-collar workers in this country, who are going to be brutally punished by this tax if they are addicted to cigarettes and they cannot quit smoking.

In my State, we have 3.1 million people who smoke cigarettes. If they smoke one pack a day, they are going to pay $1,015 in new Federal taxes as a result of this bill. For somebody who is making $10,000 or $20,000 or $30,000 a year, that is a brutal, punishing tax.

All I am saying is, quite frankly, Americans believe this bill is about the $700 billion. They believe that this has long ago stopped being about teenage smoking, that this is really more of the old tax and spend, getting $700 billion of easy tax money and then spending it. It is easy because people believe that we are taxing tobacco companies. When they understand that we are taxing the people who smoke, and who in many cases are addicted and who can't quit, or at least are going to take time to quit, I do not think they are going to be sympathetic to what we have done.

No one can argue that in the endless billions of dollars of money spent in this bill, that we could not give a third of this money back to blue-collar workers by repealing the marriage penalty.

So my goal is to offer the amendment. I hope it will be adopted. I think it is the right thing to do. I think it would marginally help this bill. But my objective is to see that if, in fact, we raise taxes on working people, that we raise the tax to change the price of cigarettes and therefore encourage people to quit smoking. I do not want to

simply raise the tax to spend money on endless Government programs, many of which have nothing to do with smoking. And the ones that have anything to do with smoking, we have endless redundancy in setting up community action programs and international smoking cessation programs and the worst kind of duplicative bureaucracy. The net result will be to hire tens or hundreds of thousands of people, spend hundreds of billions of dollars, every penny of which will come out of the wallets and purses of blue-collar working Americans.

Finally, let me say that someone suggested that if we repeal the marriage penalty, it might help couples where the wife stays at home and works in the home. If that is a criticism, please note me down as having been criticized. I do not have any apologies to make.

I think the people who do the work and pay the taxes and pull the wagon in this country pay too much in taxes. I am not happy that we are getting ready to sock them with another $700 billion of taxes. If I can, through my modest involvement, see that they get a third of the money back, so that we get the impact on smoking without impoverishing blue-collar workers, I want to do it. And that is what I am trying to achieve.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KERRY. Mr. President, all that the Senator from Texas has said sure sounds good when it gets a one-sided airing. But, fortunately, the Senate has an ability to look for the truth here. And the truth is that this is not a Democrat bill, this came out of the Commerce Committee 19–1—19–1—in a bipartisan vote.

And the fact is that the Senator from Texas talks about wanting to take only one-third of the money. But he doesn't just take one-third. No, he just doesn't tell the full story. The Senator from Texas is not prepared to let the Senate and the American people know what his amendment really does.

So we will show you what it really does. It cleverly, in the first 4 or 5 years, takes one-third, but then it builds up, and over the course of the next 20 years it takes 53 percent over 5 years, 80 percent over 5 years, 79 percent over another 5 years, and 73 percent over the next 5 years. So consistently for a period of 20 years it takes more than 50 percent, and for 15 of those years more than 75 percent. That is extraordinary.

He stands here and says to the Members of the Senate, ''All I want is''—what? 33 percent, one-third. That is just not the truth. The truth is that this amendment of the Senator from Texas not only goes to the people he talks about, those working Americans who will get so brutally attacked, but he is going to give money back to people who, under the aberrations of the marriage penalty, actually get a bonus. Fifty-two percent of the people who get married actually get a bonus because of the way the Tax Code works on the earnings of individuals versus joint filings. He gives the bonus recipients back money, too.

If we are really concerned about restoring and repairing the notion of fairness for people who are hurt by their wage level and the fact that they buy cigarettes, and you will try and fix the marriage penalty at the same time, then we believe the Democrat alternative is a better alternative. The reason the Republicans don't want to let us have the right to vote on it right away is because it is a better alternative and they are afraid what they really need is some time in between them so that the vote which is hanging out there—the only vote that people will see—the public might get mad and telephone Members and say, why didn't you vote for this, because they won't know there is an alternative. That is the game that is going on here.

Under the other alternative, the Democrat alternative, because we make an effort not to wind up taking money from kids that we are trying to stop smoking, not to take money from a cessation program, not to take money from the counteradvertising, and we regard people who, when they got married got rewarded by getting more money under the Tax Code—how can you justify that under these circumstances if this is the tradeoff?

The fact is that under the amendment the Democrats are prepared to offer we give almost double the amount of money that you get under the amendment from the Senator from Texas. For a couple with a split income, say they are earning $35,000. One is earning $20,000 and the other is earning $15,000. Under the Democrat alternative they would get $3,000 back; under the Republican alternative they would get back $1,650. Similarly, for a couple earning $50,000, if it was split $25,000 and $25,000 of income for each partner, in our alternative they would get $5,000 back; under the Gramm alternative they would get the same $1,650 as they would have gotten for the lesser amount.

So we ask Americans to look carefully. Here is a legitimate proposal to change the penalty of the marriage tax, to fix it for the people who are most penalized and to benefit people who are, in fact, most injured. That is the difference between the two. That is what people will have an option of voting on if we are permitted to vote on it in some simultaneous form. Obviously, our hope is we will still be permitted to do that.

Under the amendment from the Senator from Texas, he would, in fact, according to the Centers for Disease Control, he would take money out of the cessation and counteradvertising and school-based prevention.

Now, he complains this bill is somehow going to throw money at ''government programs.'' Well, in his State of Texas, there would be 360,000 less kids who would be eligible to have cessation services made available to them. There would be 3,869,000 kids between the ages of 5 and 17 who would not get school-based prevention programs as a result of his own proposal to strip that money out of the revenues from the tobacco bill. That is what would happen. That is what we are talking about here. We are talking about whether or not there will be cessation programs, whether or not there are going to be counteradvertising efforts, all of which have been proven to work.

So what you really have out here is a fundamental effort to try to kill the bill or stop the bill or just let it go on and on forever. The Senator from South Dakota, the minority leader, was absolutely correct. There is a whole world of difference between the way this bill is being shepherded versus the way every other piece of legislation that has come to the floor this year, where there have been time agreements, cloture motions filed immediately, immediately limited debate, limited number of amendments—move the legislation. We can tell the difference between those who would like to pass legislation or work on it, I think, in a way that will move this legislation to some kind of a final disposition.

The fact is that there is a world of difference between adequately taking care of those efforts that will have the most impact on a proven basis in helping to prevent kids from smoking versus the kind of approach that the Senator from Texas is offering. I would like to vote to cut the marriage penalty. I would like to vote to do away with the whole thing. The question is, Are you going to do it here, when the choice is between reducing kids from smoking or not? That is really what it comes down to when you look at the large amounts of money the Senator from Texas is seeking to take.

We have offered a compromise. We have offered to sit down with the Senator from Texas to try and arrive at a lesser amount of money and see if we can't come to some agreement as to what would be reasonable. I think most people on our side of the aisle would welcome the opportunity to change some part of the formula of how these moneys are spent and certainly envision the capacity to embrace a tax cut in an appropriate form and shape and size—in that context. But if there is a genuine effort to do this, then we ought to be able to make that happen. If there is simply an effort to grab so much money that this bill goes under of its own weight, it will be very clear whose intention was what, and ultimately what the impact was as a result of that.

I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ASHCROFT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ASHCROFT. Mr. President, I am pleased to have an opportunity to participate in this debate regarding the so-called tobacco settlement. My understanding of this bill does not comport with the understanding that has been recently voiced on this floor by the Senator from Massachusetts. It appears to me this bill, which is a very comprehensive bill, the dimensions of which are so substantial that they deserve clear inspection—we are talking about a major piece of legislation, a tobacco bill which includes this kind of specificity. We are talking about a bill that has 17 new boards and commissions. We are talking about a bill that would add taxes of about $885 billion at the maximum over the course and life of the bill to the budgets of Americans. These aren't costs that go to the tobacco company. These will be additional costs to the people.

I question whether or not this kind of bill deserves the full examination and the full discussion of this Senate; that is a serious question. I have a suspicion that some individuals want to curtail debate on this bill because the bill is finally being seen. There is a dawning. The light of day is beginning to shine on this bill. The American people are seeing that 98 percent of the people are being taxed, while only 2 percent of the teens smoke. The 98 percent of the people that are being taxed are having their costs go up astronomically. Not only are they having their costs go up astronomically, they are having their costs go up on an assumption that if you raise the cost of cigarettes by 10 percent, you get a 7-percent decrease in the amount of utilization by young people. That is an assumption that the studies do not bear out. As a matter of fact, the most recent studies indicate that an increased cost of cigarettes will not curtail young people from smoking. It is simply not the case. At best, the studies are inconclusive. At worse, they show that there is little correlation between a price increase and reduction in youth smoking.

Let me give you some statistics about this. The Cornell study was a study that followed 13,000 children for 4 years. This was not something that was cooked up and done in response to the tobacco industry, or someone like that. It was done at Cornell University, and it was a National Cancer Institute-funded study, so that the funding for this study is credible funding. Here is what the study found:

> . . . little evidence that taxes reduce smoking onset between 8th and 12th grade.

So in that critical exposure period between 8th and 12th grade in school, there is very little evidence that increased taxes would reduce the kind of growth in the numbers of individuals smoking. The economists that conducted this study presented their results on the relationship between higher tobacco taxes and youth smoking to the American Economics Association at their annual meeting in January of 1998. This is a current study. This studied young people and the way they respond in the modern culture. It concluded that higher taxes have little effect on whether young people start to smoke. Little effect.

Here is what the study concluded:

> Taxes are not as salient to youth smoking decisions as are individual characteristics and family background.

In other words, whether children begin smoking doesn't relate to taxes near as much as it does to family background and characteristics of the children.

This study, which followed 13,000 young people for 4 years, says:

> We find little evidence that taxes reduce smoking onset between 8th and 12th grades.

They estimated that a $1.50 tax increase would decrease the smoking onset by only about 2 percentage points, from 21.6 percent of the 12th graders to 19.6 percent of the 12th graders.

When you suggest that the change in the smoking habits would be that small—they had to conclude as follows, and I will quote from the report of Cornell University, a report funded by the National Cancer Institute, which put it this way:

> Our data allow us to directly examine the impact of changes in tax rates on youth smoking behavior . . .

In other words, they said they had enough data to draw conclusions.

> . . . and our preliminary results indicate this impact is small or nonexistent.

So this massive tax increase—$868 billion to a new estimate of $885 billion—on the American people, over the course of the life of this settlement, is supposed to produce some kind of a reduced incidence of youth smoking. Yet, the very best data from the latest studies, sponsored not by the tobacco people, but by the National Cancer Institute—a 4-year study—indicates that the taxes would have a small or nonexistent affect.

That reveals what this bill is all about. It is about big Government. It is about big taxes. It is about new agencies. It is about an invasion of the taxpayers' pockets. It is striking to note that there is $350 million a year in this bill. And with the 50 States, that is $7 million per State. That is $7 million per State, on an average, that goes overseas to fund studies in foreign countries about how costly cigarette smoking is in those cultures.

For the life of me, I can't figure out why we want to have Government bureaucracy, funded by a tax on the lower income people of the United States of America, to make it possible for Third World countries and others overseas to have studies on how costly smoking is in their culture. A number of individuals would prefer that they have it not be so costly here. The truth of the matter is that 59.4 percent of all the individuals who will be paying this tax, according to the best estimates we have, will be individuals whose income is less than $30,000 a year.

So we have a massive tax bill, three-quarters of a trillion dollars, focused on the lowest income people in America, on the presumption that it will curtail smoking among young people. But the best academic research we have indicates that young people are not sensitive to price. As a matter of fact, the study conducted by Cornell University, funded by the National Cancer Institute, indicated that there is little or nonexistent impact by that kind of tax in terms of curtailing smoking by young people. This is a study done by the folks at Cornell University, which is a well-respected institution. We would expect that the National Cancer Institute would fund a study that is fairly done. It studied a lot of children, and 4 years is a long period of time. We would not expect this study to have been done in a slipshod manner. It does come to the conclusion that indicates this isn't a very productive way to try to curtail youth smoking. The economists stated the study raises doubt about the claim that tax or price increases can substantially reduce youth smoking.

Well, obviously, there are very serious doubts. But there is no doubt about what this bill is about. It is about an $885 billion increase in the taxes to be focused on low-income individuals in the United States.

Let me just cite another study. Economists at the University of Maryland and the University of Chicago conducted a similar study that analyzed data concerning more than 250,000 high school seniors for the period from 1977 to 1992. Now, this is a longitudinal study; you get from 1977 to 1992, so it is a 15-year-long study. This is the largest sample ever used for a study on the subject. So you have a quarter of a million students studied over a 15-year period.

Here is what they found. They found the relationship between price and youth consumption is ''substantially smaller'' than suggested by previous studies.

In addition, not only do we have the Cornell study on this idea that you can reduce smoking by 7 percent with a 10-percent price increase, which says that it is nonexistent or would have little impact at all, but this other study was done by the University of Maryland and the University of Chicago over a 15-year period on a quarter of a million students. It says there is a substantially smaller than previously suggested link between taxes and smoking.

Many of us could just look at the circumstances that we see around us and have an idea that price isn't the primary objective or consciousness on the part of young people. When we look at young people wearing $140 tennis shoes because they have a certain logo on

them, I think we can get the idea that there is something in addition to price here; there is status and statement, which are very important to young people. Price becomes irrelevant in the context of status and statement.

Let's get out of the area of studies and look at what happened when price increases have been put into effect. In 1989, California raised its cigarette excise tax by 25 cents per pack, but there is no evidence that cigarette smoking declined. Now, this was an 11 percent increase of the tax. That is a major increase. If we were to see that kind of increase, we would expect there to be a decline. No evidence of a decline. As of 1994, researchers were ''unable to identify a decline in prevalence [among 16-to-18-year-olds] associated with the imposition of the excise tax.''

In Canada—and this is the most commonly cited arena cited by those who want to have this massive settlement imposed on the American people at the cost of more than three-quarters of a trillion dollars to the people. In Canada, our neighbor to the north, the federal government increased cigarette taxes in several stages in the late 1980s and early 1990s—from $10.75 per thousand cigarettes to $24.34 in 1986 per thousand cigarettes, then to $38.77 in 1989 per thousand cigarettes, and then to $62.90 in 1991 per thousand cigarettes.

So you go from $10 per thousand, or about a penny a cigarette, to 6 or 7 cents per cigarette, over the period of time. So you had an increase, at first, of a penny per cigarette, and then an increase of 6 cents per cigarette. Although it has been stated on the floor by proponents of this legislation that smoking decreased during that period, they failed to talk about the years 1991 to 1994.

Here is what happened. When the tax rates were the highest in that nation's history, and when the tax rates were the highest in that nation's history during that period, smoking rates among 15- to 19-year-olds rose from 21 to 27 percent. That is a 25-percent increase—more than a 25-percent increase in the number of teens smoking at the time when the cost of cigarettes was at the highest in history. Frankly, when the cost of cigarettes in Canada was at the highest in history, I think it is pretty clear from the testimony of others on this floor that the black market was operating the most aggressively at that time. So we are probably seriously underestimating the fact that the growth was about 25 percent in the number of teens who were smoking.

If the argument that rising prices will reduce teen smoking, it stands to reason that youth smoking should increase as prices fall. If you are going to say that higher prices cause teens to stop smoking, then lower prices would probably cause teens to start smoking. However, a year and a half after significantly reducing tobacco taxes in Canada, according to the ''Survey on Smoking in Canada,'' teen smoking ''remained stable.''

What we really have from our experience of observing Canada is that teens aren't very much affected by price. That confirms what the study indicated at the University of Maryland and Chicago. It confirms what the Cornell study indicated. It confirms what happened in California. What happens, as a matter of fact, is that teens are not affected very much by price. The fact that is ignored by those who argue teen smoking declined in Canada due to the significant tax increases is that youth smoking declined in the United States by 30 percent during the same period—from 1977 to 1990—without a price increase.

There are times when teen rates of smoking haven't gone up in either culture. If they were parallel in both cultures as a result of other factors, and taxes went up in one and not in another, it makes it pretty clear that the tax increase in one was irrelevant to whether or not teens smoked. Here we have a situation where we are imposing a tax on 98 percent of the cigarette consumers who are adults on the presumption that it will change the smoking habits of the 2 percent who are teenagers when the studies and the real world information simply do not bear out this as a justification for this kind of massive tax increase.

In the United Kingdom, between 1988 and 1996, the per pack price of cigarettes was increased by 26 percent. Although cigarette volumes fell by 17 percent, the percentage of weekly smokers aged 11 to 16 went from 8 percent in 1988 to 13 percent in 1996. So it turns out in the United Kingdom the number of youngsters who were smoking went up, even when the number of people smoking overall went down. It went up from 8 percent to 13 percent in spite of the fact there was a 26-percent increase in the price of tobacco.

The University of Chicago, and Maryland, Cornell University, a study funded by the National Cancer Institute, the experience in California, the experience in Canada, the experience in Great Britain—these are experiences which indicate to us that this is more a bill about taxes than about increasing the size of government. It is about sending the hard-earned dollars of individuals in the United States overseas to fund these studies in other countries, to provide a basis for a variety of interests in the United States being well funded; but this is not a bill which addresses the issue of teen smoking in a responsible way.

The Centers for Disease Control has compiled data on brand preferences which support the conclusion that young people are not particularly price sensitive. The ''price value'' or discount segment of the cigarette market comprised 39 percent of the overall cigarette market in 1993. Yet, according to the CDC, less than 14 percent of adolescent smokers purchase generic or other ''value-priced'' brands. On the average, the people were price sensitive, but when you got to teenagers they weren't.

This point was echoed by the government's lawyer defending the FDA tobacco rule, who told the U.S. district court, ''[P]rice, apparently has very little meaning to children and smoking, and, therefore, they don't smoke generic cigarettes. They go for those three big advertised brands.''

All of a sudden, we come to this place where we are going to pile on the taxes, pile them on low-income individuals. Those making less than $30,000 a year will pay nearly 60 percent of this $885 billion tax burden. And we are doing it in the face of the information of these university studies that are current, that are recent; in the face of the data from California, and data in Great Britain; and in the face of the Federal Government's lawyer arguing in the U.S. district court in the FDA tobacco case where he said, ''price apparently has very little meaning to children and smoking.'' They aren't affected by price.

We have a situation where we have had cloture filed on this bill. There are those who do not want the kind of debate about price and about taxes, about the fact that the price isn't really as significant as they would like to portray on teen smoking. And if we slow this bill down enough for people to look at it carefully, they might figure out that this bill isn't what is needed at all. Certainly, most people do not think we need another three-quarters of a trillion dollars in taxes focused on the hard-working, lower-income individuals in America.

This is a bill about taxes. It is a bill about money. If you look carefully at this bill, it has everything from foreign aid in it to more of the child care proposals of President Clinton. It is time, if we are going to have taxes increased, that we do something constructive with the tax increase, and we give it back to the people in terms of respecting an institution which America has long understood to be at the core of the potential for a bright future for this country. We are talking about the institution of marriage.

I commend Senator GRAMM who brought to the floor a proposal which would eliminate the marriage penalty on individuals who are low-income individuals, to say to them that we don't think you should have to pay higher taxes merely because you are going to be married; you are going to make the durable, lasting commitments of marriage that are likely to be the basis for strong families that are the foundation and the future of America, we don't think you should pay for that in terms of higher taxes.

Both Senator GRAMM and Senator DOMENICI have indicated they would eliminate the marriage penalty for individuals making less than $50,000 a year with some of the resources generated by this measure. Obviously, there are those who are expecting to spend those resources on more government programs and are terrified by the fact that we might think about giving

the money back to the people. You have to understand this is at a time when the U.S. Government is in surplus. It is expected—even conservative estimates—that there will be a $39 billion surplus this year, nearly $60 billion in surplus next year, and we shouldn't be here debating how to spend more of the taxpayers' money. We should be here debating how to give money back. And Senators GRAMM and DOMENICI, the Senator from Texas and the Senator from New Mexico, have come forward with a plan to reduce taxes to the extent that you end the marriage penalty and to say to people, we are not going to penalize you for having the durable, lasting commitments of marriage that become the foundation.

Frankly, I am very enchanted by the idea of eliminating the marriage penalty, and this will not end the debate on the marriage penalty. I will continue to offer amendments until it is eliminated, whether this passes or not. The marriage penalty is a pernicious attack on the values and principles of America. It is time that we aligned the policy of America with the principles of the people of America.

I commend the Senator from New Mexico and the Senator from Texas for their outstanding work, but I think this cloture motion was filed because people are beginning to understand. The idea is that, well, we filed cloture on some other matters; maybe we should file cloture on this. I think that has been suggested. I don't think that is the case. I think the people are beginning to understand this is a massive tax increase. And because it is, I think that cloture is inappropriate at this time. We have a responsibility to debate what we will do with $885 billion in revenue. I think it should be given back to the people who have paid it.

With that in mind, I urge Senators to oppose in every respect the motion for cloture, to vote against it. This is a measure which deserves the light of day. It deserves the dawning of day. The American people really ought to have a chance to look carefully at it, understand it, and to see it clearly. They ought to see it in the context of what it seeks to do—tax individuals, primarily low-income individuals, at very substantial rates—and the result will be substantially more Government. The studies indicate that the impact on teen smoking as a result of that tax is very likely to be minimal, if existent at all.

It is with that in mind that I think we ought to take very seriously the proposals to abolish, to take the tax out of this bill. And if we don't do that, we ought to do what we can to give back the money which is collected from the hard-working people of America. The idea that we should somehow proliferate Government in response to this situation is an idea which, when exposed to the full light of understanding, will be rejected by the American people. Certainly Washington appears to be the only city in the world where a bad decision, the decision to smoke, made by free people, becomes the basis for taxing those free people, taxing them in ways that will make it very difficult for them to provide for their families.

My own view is that that is inappropriate. We should reconsider the position that is being offered here, and I believe the kind of tax relief that has been offered by the Senator from Texas and the Senator from New Mexico is the kind of relief that ought to be considered in the event there are any taxes in this measure.

With that in mind, I will do what I can to make sure that we have the opportunity to consider a variety of proposals which would extinguish and end the marriage penalty in our law, if there are resources being collected from the American people under the guise of a tobacco settlement.

Mr. President, I yield the floor.

Mr. MCCAIN. Mr. President, I respect the views expressed by the Senator from Missouri. He has spoken long and eloquently on this issue in the Chamber. I did hear him just say that bad decisions by free people to smoke—bad decisions by free people to smoke—shouldn't be taxed.

I am intrigued by that comment, especially since what we are talking about here is free children. I thought that the obligation of my party and Government was to care for children, was to keep them out of harm's way, and do what we can to lead them into better lives.

When the Senator from Missouri said ''bad decisions by free people,'' I was really sort of shocked, because the Senator from Missouri should understand the intent of this legislation. The intent of the legislation is to try to stop companies that have been enticing the children—my children, all America's children—to take up a habit that is going to kill them. So it can be interpreted as a massive tax increase; that is what the latest media reports I see are—$60 million worth of attack ads calling it a tax increase. That seems to have been sort of accepted by the American people as fact. I guess if you spend enough money on an advertising campaign, it may have some significant effects.

It seems to me that for Americans to believe that this is simply a reason to tax them, then there has been a very significant effect.

But I think we are all aware that what we are trying to do here is cut taxes on the American people. You do that by stopping people from smoking, because right now $50 billion a year in Americans' tax dollars go to treatment of tobacco-related illnesses. And that $50 billion a year, Mr. President, is not a static number, because according to the Centers for Disease Control, and other sources, children smoking is going up in America; therefore, you are going to have more people who need treatment because approximately a third of those children who begin to smoke will die early or need treatment for tobacco-related illnesses. So the present $50 billion tax per year that the American people are paying will increase. So I don't know why it is so hard for some people to understand that if we do nothing and the present trend continues, the tax burden on all Americans—high income, low-income Americans—will go up, not down.

I think it is also important to address the issue that seems to be talked about so much by opponents of the legislation, about the burden that this tax—I am beginning to do it myself—that this increase in the cost of a pack of cigarettes will have on low-income Americans.

First of all, to state the obvious, as the Senator from Missouri said, it was a bad decision, and these people do smoke, which is their choice. And I certainly sympathize with those who find it nearly impossible or impossible to stop. It is extremely difficult, because it is an extremely addictive substance, but it still is a voluntary act. But also, we find out, and it is very disheartening, that it is the children of lower-income Americans whose smoking is increasing in America. And to somehow feel that low-income or middle-income or high-income Americans would not do whatever is necessary not just for themselves but for their children I think is contradictory to what I know and believe about the American people.

Mr. President, we had not the most pleasant exchange that I have observed in this Chamber recently, not the most unpleasant either, by the way, but it wasn't pleasant. Obviously, we have been on the bill now nearly 2 weeks. We know we have the press of other business. We know we have legislation that needs to be addressed—the Department of Defense bill, 13 appropriations bills, and others are necessary. There is a certain level of frustration that was manifested here. I believe we must come to a point where we should decide to end the debate—which, as I say, now has been going on for nearly 2 weeks—or move forward with the bill. In the event of cloture, as we all know, germane amendments to the bill would still be in order.

I should also like to remind my colleagues of the consequences of going off the bill. If we do not pass this legislation through the Senate and through the House and then in conference and signed by the President, I think some think the issue will therefore disappear from the American scene. Quite the contrary, Mr. President. The reality is that if the Congress does nothing, then there are 37, and perhaps more, attorneys general who are lined up to sue the tobacco companies for the injuries that have been inflicted on the people of their States.

I think there are several drawbacks to this course of action. One of them, to state the obvious, is that the amount of legal fees that will go, the amount of money that will go in the

form of legal fees, to the plaintiffs' lawyers will be dramatically higher than that envisioned by this bill and, frankly, will be much higher than what I would envision in an amendment that will be passed in the Senate which will place further restrictions on attorneys' fees.

Second, of course, is that it will be a long, drawn out process. I do not think there is any doubt as to who would prevail. There have been trials in four States, all of which have not gone to a jury because the tobacco companies, for obvious reasons, have chosen to settle, the last being the State of Minnesota—$6.5 billion was the agreement by the industry. And along with that agreement, with that settlement, was an agreement by the tobacco companies to do many of the things that have been attacked on this floor.

A massive tax hike? Guess what, the price of cigarettes all over America went up 5 cents because of the requirement to settle the Minnesota case. I think it is also of some interest that the $6.5 billion that the tobacco industry agreed to is roughly double the amount that would have been received under the settlement that was an agreement entered into between the attorneys general and the tobacco industry. So the cost, if you go on a State-by-State basis, assuming that they all either settle or juries award large settlements, then the cost goes up. And the so-called tax, massive tax that is so concerning to many of my colleagues, is higher. When you extrapolate it out over all 40 States that are in court—and I imagine the other 10 would join sooner or later—then that is more money added to the cost of a pack of cigarettes than envisioned by this legislation.

But let me tell you what bothers me the most about having these cases go to the States—which they will. I would like the Senator from Missouri to find me one legal expert in America who does not believe that the day that this legislation leaves the floor of the Senate there will be, in the words of a well-known plaintiff's lawyer, a ''rush to the courthouse,'' not only by the attorneys general but by many of the plaintiffs' lawyers in America.

But what bothers me the most about this, and the reason I am saddened a bit to contemplate it, is the fundamental purpose of this legislation is to act as soon as possible to stop the children from beginning to smoke. The day the President signed this bill, massive amounts of money would be spent to begin youth smoking cessation programs. Large amounts of money would be spent on research, not only to find out what causes kids to smoke, but also to find cures for these terrible diseases, the largest causes of death in America—the heart disease, the lung cancer, the emphysema—the terrible ways that people die as a result of the use of tobacco. So, all that will be delayed. And the most terrible delay, of course, will be the effect that we could have, in a beneficial fashion, on children in America.

There are some on this floor who have said raising the price of a pack of cigarettes will not do it, these cessation programs don't do it, et cetera. I think they are entitled to their opinions on that issue, but I depend upon the opinion of experts. I depend upon the opinion of every living Surgeon General since 1973—every living Surgeon General in America. Their letter has long ago been made part of the RECORD. They say that you have to have a comprehensive approach to this problem. I agree with every—literally every—public health group in America, whoever they are, you name them—I read the list of them into the RECORD the other day—who say you have to have a comprehensive settlement if you want to stop kids from smoking. I agree with Dr. Koop. I agree with Dr. Kessler. I agree with the eminent people in America who have spent their lives, literally, on this issue, who say don't think you can solve it by just a simple tax increase.

I would also like to say I think the States deserve reimbursement. We, on this side of the aisle, at least, have always advocated a situation where we try to reduce the financial burden on the States. We are always pleased and proud when we pass things like no unfunded mandates and return money to the States to use however they want, since, after all, it is theirs that they send to Washington, DC. If we do not do this settlement, of course, there will be no money that goes back to the States; it will all just come to the Federal coffers, and bureaucrats will then decide, or one can make the case that the appropriators will decide.

So the Senator from Missouri made an eloquent argument that we should continue debate on this issue and that we should not cut off debate because the American people need to be better informed. I would say to the Senator from Missouri, who I note is here on the floor, they have been pretty well informed by somewhere between a $60 million and a $100 million tobacco advertising campaign by the tobacco companies. They have been pretty well saturated in that area. Most major pieces of legislation—the expansion of NATO, for example—in the 12 years that I have been here, almost every major piece of legislation takes about 2 to 3 weeks. And, of course, that is only the largest legislation that we consider.

I also think there are many, many organizations out there who are informing the American people. But, again, far more important than that, there are people who are suffering from very terrible diseases as a result of their use of tobacco, and the sooner we get money into research and find cures for these terrible diseases, the better off they will be and we will be as a nation. Every single day that we debate this issue and not bring it to some conclusion or the other, 3,000 children will begin to smoke. We can debate whether this is a good bill or a bad bill and how it should be changed, but there is one fact that cannot be changed, and that is what it is doing to the young people of America.

So I would argue if, at the end of today, 3,000 more children have started to smoke and 1,000 of them will die early, maybe we ought to spend more time here and get this issue resolved and maybe not go home this weekend. Maybe we should spend this weekend debating this issue, trying to reach some conclusion. Instead, either late tonight or early tomorrow morning we will all be gone. The majority leader just talked a little while ago about how hard it is to get people here on Monday.

Perhaps—perhaps—we will go to work maybe on Tuesday. Friday, Saturday, Sunday, Monday—4 days; 12,000 young people will begin to smoke while we enjoy our extended weekend.

I believe that we should try and keep that in mind. My argument, Mr. President, in a rather drawn-out fashion, is that there are compelling reasons why we should act on this issue either one way or another. Maybe in the wisdom of the Senate this is not a good piece of legislation, and we should drop it. But let's go ahead and drop it sooner rather than later so that the process will begin in the other 36 States that have sued the Federal Government; the additional 10 that, I am sure, will be in line; so that the plaintiffs who have suffered injury and the relatives of those who have suffered deaths because of tobacco can begin their trip to the courthouse so that they can receive the compensation they feel they deserve because of what happened to them as a result of years of tobacco—whether they deserve that or not is up to a judge and jury—but especially the attorneys general awaiting to see what the U.S. Congress does. I hope that we can act in as rapid and efficient fashion as possible.

I remind my colleagues that I was asked, as chairman of the Commerce Committee, to bring this bill to the floor of the Senate and to get it through my committee. We had a full day of markup, and I am in disagreement with the remarks the Senator from Missouri made the other day about discouraging amendments. I, in fact, encouraged amendments, and the Senator from Missouri had several which were voted on. They had to do with product liability. They didn't have anything to do with reduction of taxes. But that was the right of the Senator from Missouri.

I don't believe he could find any of my colleagues who would argue that there wasn't a full addressing of that legislation during that day. At no time did I try to cut off anyone's right to propose an amendment on a piece of legislation that serious. In fact, if I remember, I was somewhat entertained the Senator from Missouri even proposed as an amendment a piece of legislation which I and Senator

LIEBERMAN have cosponsored, which was his right. But I don't believe that anyone was shorted during that very interesting markup. In fact, literally every Senator on the committee was heard from and, again, in my 12 years on the committee, I have never seen nor been part of such an extensive markup as took place on this bill in the Commerce Committee.

I was asked to bring this bill to the floor, and it was reported out of the committee by a 19-to-1 vote. Then the majority leader scheduled it for floor debate, which is the responsibility of the majority leader.

I, along with the Senator from Massachusetts, have tried to manage this bill. But I say to my colleagues, there is no point in us staying on this bill forever. It is obvious that we won't. For example, today we have not had a single amendment voted on, and we seem to be hung up in some kind of parliamentary maneuvering which some observers might say is a reason to impede the progress of the bill, because we all know we don't stay on any piece of legislation forever.

I hope we can work out our differences. There are pending amendments. There is a very important drug amendment we would have liked to have brought up today. I don't know if we will. It is nearly 4 o'clock now. But I believe it is important that we either move forward and resolve the issue, or we go on to other issues that are compelling issues as well. The Department of Defense authorization bill—and I am a member of the Armed Services Committee—is waiting to be debated and resolved. It is very important that we address the needs of the men and women in the military and our Nation's security. There are many other pieces of legislation that are awaiting action on the part of the Senate, which argues that we proceed with this legislation or move off it.

I would feel rather badly if we do, but I also point out that, in my own very subjective view, I would have done whatever I could to see that this issue was brought to completion.

Mr. President, I yield the floor.

Mr. ASHCROFT addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. ASHCROFT. Mr. President, I appreciate the fact that people want to make this a bill about cessation of teen smoking. I want teens not to smoke. It puzzles me, though, that they look past the studies: Cornell University, with 13,000 students showing that price doesn't make much difference at all to them. They look past the University of Chicago and University of Maryland saying that price is way overrated. They look past the experience of Canada when price was going up dramatically, smoking was going up among young people. They look past the United Kingdom where smoking went up among teens when price was going up, and they talk about teen smoking, and yet they don't make the possession of cigarettes by teenagers illegal or inappropriate in the bill.

This Congress has authority over the District of Columbia. If we really were serious about saying it is wrong for youngsters to have cigarettes or to have tobacco or thought it inappropriate, we could make it illegal for them, but this bill doesn't do that.

What does this bill do? This bill raises taxes. It creates new government programs. It funds the priorities of the Clinton administration. It is an $885 billion tax increase, and who pays the tax? The tax gets paid by low-income individuals. Mr. President, 59.4 percent of the individuals who will be paying this tax will be individuals who earn less than $30,000 a year.

Some have said, ''Well, we should be voting on amendments.'' I agree we should. There was a unanimous consent order proposed today which provided for votes. I agreed to it. I didn't stop it. The majority leader proposed it. He proposed to have votes to lay these issues in a context where they could be dealt with, where they could be voted on, where they could be disposed of, and those on the other side of the aisle rejected it.

We can't have it both ways. We can't say that this is a bill which is going to stop people from smoking and we are going to collect $885 billion when they do smoke. If they stop smoking, the money won't be there. What we all know is they are going to keep smoking; that is why the money will be there.

We can't say this will help the children of poor families when we are going to make the poor families pay $1,200, $1,600 a year in taxes and take that off the table of those families and out of their budgets. We can't say we are going to stop teens from smoking when we don't even care enough to make it illegal for teens, where we have jurisdiction, to possess cigarettes.

This is a tax bill. It is a massive tax bill. It is a massive government bill. It promotes government agencies not only in the United States but overseas. There is $350 million each year in this bill to send overseas, so that countries overseas can conduct studies about what it costs to smoke in other countries, not the United States of America.

I think this is the kind of priority that no wonder people don't want this bill slowed down enough for the American public to see: Taxing people who make less than $30,000 a year in the United States to fund studies overseas so that they can conduct studies about what it costs to have cigarette smoking in other countries. I don't believe that is what Americans are interested in. That is not going to help young people in the United States.

The Senator from Arizona says the States deserve reimbursement. He said this is hard on the States, and then he sort of bragged about how hard this is on tobacco companies. I am not worried about the States or the tobacco companies as much as I am about the people of the United States. They are the ones who deserve reimbursement, if anybody deserves reimbursement.

And here we have an elevated taking by the Federal Government, another three-quarters of a trillion dollars over the life of this bill—taking from these people instead of giving to them. We come to do this at a time when the Federal Government is looking at a revenue surplus.

It just seems to me that we ought to be debating how to give back the money to the people rather than taking these resources from the people. I do not object to amendments. I do not object to a UC which would allow further amendments. Very seldom do we have bills here where we get it right the first time. I think it is good to have debate on these issues. I think it is good that the studies be brought forward. It is good that the people have an opportunity to see exactly what the community has been able to decide when it has observed the facts, the reality of situations not only here but in other settings.

It is with that in mind, I believe it is important to move forward with the amendments, like that of the Senator from Texas and the Senator from New Mexico which would abolish the marriage penalty, to say to those families, ''We want you to be able to have the kind of right to deploy your own resources rather than have Government spend the money. And we don't think we should penalize you because you have involved yourself in the durable, lasting commitments that form the basis of the family,'' the most important institution in our culture.

So it is with that in mind that I have risen to criticize this bill and to unmask it. This bill is substantial. It has more pages than the average person probably reads, more pages than the average Senator reads. And reading this bill is important. It is in here that you find out about the Federal programs that are tucked away, the mandated spending for the States. It is in here that you find out about the kind of special limitations that were to be provided to the cigarette companies in terms of their liability. If you care so much about the children, why limit the amount of money in damages that tobacco companies would have to pay in? Why provide them with a special sanctuary?

It is this bill that deserves our consideration. It is in here that you find the massive tax increases and the spending on new and other programs. I believe we ought to add to this that if we are going to have taxes, we will give the taxes back by way of saying, as the Senator from Texas and the Senator from New Mexico have said in their proposal, the marriage penalty ought to be abolished for individuals making $50,000 or less. I would abolish it for all individuals. And, frankly, I am going to continue offering amendments about the way to spend the money, not to

spend it through Government but to send this money back to the American people. They earned it. They should have the opportunity to spend it. The idea, ''You send it; we spend it,'' being the slogan of this place is a bad idea. It should be, ''You earned it; we returned it.''

It is not wasted on me that the cloture motion was filed when the debate on the marriage penalty got going. A lot of people don't want to unmask the policy of this country that we penalize people for being married. A lot of people don't want to debate the issue of whether we should have all these new programs or whether we should give people the money back that they earned and we took from them merely because they were married.

I do not blame people for not wanting to reveal if they are against wanting to give the American people their money back, that if the American people learn we are taking their money simply because they are married, that we have the opportunity to give it back but we would rather give it back to programs here in Washington or even overseas. That is an embarrassment. It is no wonder individuals want cloture filed and feel we should shut down debate.

I do not want to shut down debate, but we should move forward with tax relief for the American people, and we should be very reluctant about imposing $885 billion of new taxes in the name of programs for which it is accordingly suggested that somehow young people will not begin smoking.

The idea young people start smoking at 3,000 a day—it may be true. If we can believe the studies at the University of Chicago, the University of Maryland, Cornell University, if we can believe the experience of California, Canada, the United Kingdom, the kinds of things they have talked about in these taxes here that are involved in this bill will not make a difference.

The truth of the matter is, the academic studies of thousands, tens of thousands, hundreds of thousands, indicate that to talk about taxes making a big difference in youth smoking is overstated. And these are not studies by interest groups; these are studies by the National Cancer Institute; these are studies by the University of Maryland, the University of Chicago, Cornell University.

So it is time for us to understand this debate is about taxes. It is a debate about Government—big taxes, big Government; massive taxes, massive Government.

We are not even making illegal the possession of cigarettes for children in the District of Columbia. If we thought that was really important, we could add that to this bill. No; that has not been done. We just simply make it possible for Government to grow. No wonder people are uncomfortable, especially when there is a proposal that says we could allow families to grow by returning the money to families and stop penalizing them just for having the durable commitment, the lasting bond that comes when people are married and are now penalized for that in our Tax Code. This would be an opportunity, according to the plan of the Senators from New Mexico and Texas, to alleviate that.

I yield the floor.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. ENZI). The Chair recognizes the Senator from Arizona.

Mr. McCAIN. Mr. President, very briefly, the Senator from Missouri states that there are many studies and documents that indicate that increasing the price of a pack of cigarettes will not have an effect on kids smoking.

Let me refer him to the people who know it best, the absolute ultimate experts on the cost of a pack of cigarettes in America—the tobacco companies. I say to the Senator from Missouri, in the documents revealed by the tobacco companies themselves, a Philip Morris document:

> In any event, and for whatever reason, it is clear that price has a pronounced effect on the smoking prevalence of teenagers. . ..

I hope that the Senator from Missouri would read from the documents that the tobacco companies themselves had to disclose because of court order.

Philip Morris: The following quotes are from a Philip Morris 1981 document based on the company's review of research by the National Bureau of Economic Research on the impact of price on tobacco use. Because of the quality of the work, the prestige and objectivity of the National Bureau of Economic Research has not changed in 30 years. I think we need to take seriously their statement that, ''If future reductions in youth smoking are desired, an increase in Federal excise tax is a potent policy to accomplish this goal.''

> In any event, and for whatever reason, it is clear that price has a pronounced effect on the smoking prevalence of teenagers, and that the goals of reducing teenage smoking and balancing the budget would both be served by increasing the federal excise tax on cigarettes.

Philip Morris, in a quote from a 1987 document: Philip Morris laments the teen smokers that it lost due to price increases.

> You may recall from the article I sent you that Jeffrey Harris of MIT calculated . . . the 1982 and 1983 round of price increases caused two million adults to quit smoking and prevented 600,000 teenagers from starting to smoke. Those teenagers are now 18 to 21 years old, and 35 percent of older smokers smoke a PM brand. This means that 700,000 of those adult quitters have been PM smokers and 420,000 of the nonsmokers would have been PM smokers.

A 1982 RJR document, on the tobacco industry's analysis that price increases have a significant impact on youth smoking: This analysis actually calculates the number of new smokers lost among kids as young as 13 years old, and every other age between 13 and 18, if prices are increased. Philip Morris—the chief financial officer for Philip Morris, less than a year ago, told everyone involved in the tobacco industry negotiations that, ''Children are three times more price responsive than adults.''

That is the chief financial officer for Philip Morris.

The National Academy of Sciences, in its 1998 report, ''Taking Action to Reduce Tobacco Use''—the Institute of Medicine and the National Academy of Sciences concluded that ''the single most direct and reliable method for reducing consumption is to increase the price of tobacco products, thus encouraging the cessation and reducing the level. . ..''

This list goes on and on. I know the Senator from West Virginia was here a second ago and wants to talk.

The 1994 Surgeon General's report preventing tobacco use among young people—now, the Surgeon General is fairly well respected—reached the conclusion that increases in the real price of cigarettes significantly reduce cigarette smoking, and that the young people are at least as price sensitive as adults.

The 1998 Surgeon General's report issued within the last month agrees with this conclusion.

What is important, though, really, are the tobacco companies themselves. I say if you can believe anybody, maybe you might believe the people who are in the business of enticing kids to smoke.

Brown & Williamson:

> The studies reported on youngsters' motivation for starting, their brand preferences as well as the starting behavior of children as young at five years old. The studies examined younger smokers' attitudes toward addiction, containing multiple references as to how very young smokers first believe they cannot become addicted only to later discover to their regret, that they are.

Brown & Williamson:

> . . . nicotine is addictive. We are then in the business of selling nicotine, an addictive drug, effective in the release of stress mechanism.

RJR consultant:

> Happily for the tobacco industry, nicotine is both habituating and unique in its variety of physiological actions.

I won't go on except to summarize again from the Philip Morris document:

> In any event, for whatever reason, it is clear that price has a pronounced effect on the smoking preference of teenagers.

I imagine there are studies that the Senator from Missouri could produce to which he referred.

The people who are the final experts on this are the people who sold it to the kids. And they know, and we all know, that it is price sensitive as far as kids smoking is concerned. To think otherwise flies in the face of the overwhelming body of evidence, not only in the words of the tobacco companies, but the Surgeon General of the United States of America.

We want to call it a tax, call it a tax. Don't say it isn't going to affect kids

smoking, because the overwhelming body of evidence says that it does. Everybody is entitled to their opinion but not everybody is entitled to the facts.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. Mr. President, I ask unanimous consent that I be allowed to speak for 15 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WELLSTONE. I thank the Chair.

HUMAN RIGHTS CONDITIONS IN CHINA AND TIBET

Mr. WELLSTONE. Mr. President, earlier this week, I spoke of a resolution on China that I introduced and that we will offer as an amendment as soon as there is a vehicle to work with, I think probably next week—certainly before the President's visit to China. I wanted to briefly summarize it. Let me just say that I am really pleased to have the support of Senator LUGAR, Senator DURBIN, Senator LEAHY and Senator FEINGOLD, and I think there will be very strong bipartisan support for this, what will be an amendment.

The focus is on human rights conditions in China and Tibet. Let me just say I don't come to the floor in a spirit of bashing our President. Since our President will be the first head of state of our country to visit China since the 1989 crackdown where really students—I see pages here—young people your age were murdered, gave their lives, and for the ''crime'' of just simply calling for the country to be a democracy, I wish the President would not go to Tiananmen Square. I think that is a mistake. My worry is that regardless of what statements the President makes about human rights in China—and I hope he will make some powerful statements—the symbolism of visiting that very sacred place where students were murdered will overwhelm everything else and will be taken, will be used by the Government or will be interpreted by people in China as reflecting a kind of carte blanche support of the Government. I think that would be a mistake.

Now, I want to refer to the State Department's China country report this past year on human rights and practices. This is not my report. This is our own State Department report.

> The Government continues to commit widespread and well documented human rights abuses in violation of internationally accepted norms stemming from the authorities' intolerance of dissent, fear of unrest, and the absence or inadequacy of laws protecting basic freedoms.

I think the Assistant Secretary of State, John Shattuck, who has focused on human rights, has really done some magnificent work, and I think this State Department report is extremely important.

What we are going to call on the President to do in our amendment—and we will have a vote on it next week. I think it is terribly important the Senate go on record before the President's visit, because the President is going to visit China. Whether Senators think he should or not, the President is going to visit. I personally think it is not unimportant to be having a discussion with the Government there. I am not opposed to a discussion. But the question is what kind of discussion, what kind of visit, and what does the President say.

At the very minimum, we are going to call upon the President to secure from China's leaders a pledge to remove by a certain date the names on the official reentry black list, which now contains the names of more than 50 Chinese living in the United States who cannot return to China because of their advocacy of democracy and freedom. In other words, there are some people in our country who think the fact that Wei Jingsheng, who was released from prison, is now in our country, exiled in our country is a sign he has his freedom. I doubt any American would feel he or she was free if they were exiled from our country and told, if you come back to the United States, you will be immediately arrested. That hardly represents freedom. So we want to make sure that by a certain date the Chinese Government removes these names on this official reentry blacklist.

Second of all, that the President—and let me emphasize this. I emphasized it this morning—visit family members of the victims of the 1989 massacre, many of whom still suffer from political harassment, discrimination, or persecution.

I will say in this Chamber: Mr. President, if you are going to visit China, I hope you don't go to Tiananmen Square. I hope you will give some forceful speeches on human rights, but at the very minimum you could convey a very powerful message to the world, to people in China, to the Chinese Government, and to these families if you would visit the family members, or some of the family members of victims of the 1989 massacre, many of whom today suffer from political harassment and discrimination and persecution. I think that would be a powerful message. I believe the President should do this.

Third of all, I think the President absolutely has to urge Chinese leaders to engage in a meaningful dialog with the Dalai Lama, with the aim of establishing genuine cultural and religious autonomy in Tibet. In the past year, matters have only gotten worse in Tibet. No one is arguing to the contrary. No one is arguing to the contrary.

The President must call upon China to revise its vague, draconian security laws, including the provisions on ''endangering state security,'' which were added to the criminal code in March of 1997; and release unconditionally all political, religious, and labor activists detained for their peaceful, nonviolent involvement. In other words, it is important to understand, when someone like Wei is released, that releasing some individuals doesn't deal with 2,000 political prisoners that you have in prison. That doesn't deal with all sorts of prisoners in forced labor camps. The President has to call upon the Chinese Government to live up to basic human rights standards—that is where our country should be; that is what we should stand for—and review the sentences of more than 2,000 who have been convicted of so-called counterrevolutionary crimes with a view toward granting full amnesty.

Mr. President, I come to the floor today because it is the anniversary of the massacre at Tiananmen Square, and I think it is really important that we speak up. I think the Chinese Government would like nothing more than for Americans not to speak up. I think the Chinese Government would like for the world to forget what happened. We cannot. But above and beyond that, I do not want this just to be dramatic in the worst way or symbolic. I think what the President can do if he is going to visit China is not go to Tiananmen Square, certainly visit the families of the victims of Tiananmen Square, and certainly give some powerful speeches and statements while in China which call upon the Chinese Government to release people who are in prison for having committed no other crime than to speak out for democracy and freedom; for the President to say to the Government of China—frankly, we should be saying it to governments all over the world that do this—you cannot persecute people because of their religious practice or because of their political viewpoint. We have to be on the side of human rights throughout the world. I really hope that next week, if not tomorrow—the first opportunity I get I will bring this amendment to the floor —we would get very strong support for this amendment.

Mr. President, I see my colleague from Nevada is here, and I will yield the floor.

Mr. BRYAN. Mr. President, first, I would like to thank my colleague from Minnesota for his unfailing courtesy.

Mr. President, I ask unanimous consent that I might speak as if in morning business for a period of time not to exceed 7 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRYAN. I thank the Chair.

(The remarks of Mr. BRYAN pertaining to the submission of S. Res. 243 are located in today's RECORD under ''Submission of Concurrent and Senate Resolutions.'')

Mr. BRYAN. Mr. President, I yield the floor and suggest the absence of a quorum.