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Tobacco: Conrad/VPOTUS Event [02/11/1998]

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**STATEMENT BY VICE PRESIDENT AL GORE
ANNOUNCEMENT OF "THE HEALTHY KIDS ACT"
WEDNESDAY, FEBRUARY 11, 1998**

I want to thank Senator Daschle for his outstanding leadership of the Senate Democratic Caucus -- and for helping to make this issue such a priority for our party;

And I want to offer a special word of praise and gratitude to Senator Conrad, whose dedicated and extremely hard-working task force has brought us here today. Senator -- a job well-done.

[other acknowledgments to be provided by advance]

Today, we take a crucial step forward in the fight against teen smoking -- and the next big step toward writing tough anti-tobacco measures into law.

For years, America's parents and families have been outmatched -- by multi-million dollar ad campaigns targeted at our children. By secret strategies to hide the deadly effects of smoking. By nicotine addiction that captures 3,000 of our children every day -- and, **ultimately**, costs 1,000 of them their lives.

Over the past five years, President Clinton and I have been determined to change all that -- to protect our children from the number-one preventable cause of death in this country. We enacted the toughest-ever measures to cut-off children's access to tobacco, and the tobacco companies came to the bargaining table -- because they knew we meant business.

Now we have an opportunity to build on the landmark tobacco settlement that was reached last June. We have a chance to pass bipartisan, comprehensive legislation that dramatically reduces teen smoking -- and changes the way tobacco companies do business forever.

The President has made clear that there are five core principles that must be met for any bill to receive his signature: One, it must **reduce smoking by our children**, by raising the price of cigarettes by up to \$1.50 a pack over the next 10 years, **and imposing** ~~with~~ penalties on the tobacco industry if it keeps marketing to children. Two, it must give the FDA full authority to regulate nicotine as a drug. Three, it must require tobacco companies to disclose information on the dangers of their products. Four, it must advance other crucial health goals, like reducing second-hand smoke. And five, it must protect the economic welfare of tobacco farmers and their communities.

The President asked me to take the lead in rallying Congressional and public support behind these principles, and in the past five months, I have held bipartisan tobacco forums all across this country. This much is certain: support for tough anti-tobacco measures crosses all lines of party and politics. There is no such thing as Democratic or Republican nicotine addiction.

Today, just two weeks after Congress has come back to work, Senator Conrad and his colleagues have come forward with legislation that meets all five of the President's principles -- and therefore meets America's challenge of reducing teen smoking. **While there are individual items that we might do differently**, I can say that the President would be proud to sign this bill, as he would be proud to sign any bill that does as much to meet his goals and principles.

And while I stand here today with dedicated Democrats who are fighting to reduce teen smoking, I know there is strong commitment to this issue on both sides of the aisle. In the coming days and weeks, I hope and expect that many Republicans will join us -- on this or other bills that meet our core principles. Ultimately, any successful bill must have broad, bipartisan support. The President and I are committed to working with members of both parties to shape the best ideas and proposals into a truly bipartisan bill.

And like Senator Conrad's bill, any successful bill must meet all five of the President's principles. Teen smoking is a comprehensive problem, and it demands a comprehensive solution. The President and I cannot get behind a watered-down, piecemeal bill -- one that ducks the problem of teen smoking, instead of dealing with it. That is why we are insisting that Congress meet all five principles -- including **the most effective way to stop teen smoking, a substantial rise in the cost** ~~price increase on a pack of cigarettes, and other measures to cut teen smoking in half.~~

Our call for a price increase is not about money; it's about our children's health. Without a substantial increase in the price of a pack of cigarettes, we simply will not achieve our goal of dramatically reducing teen smoking. And that has always been our ~~sole and~~ central goal.

I ask every member of Congress, of both parties: follow the example of these Senators. Support this legislation, or come forward with your own bill that meets our five principles. We've got to seize this historic opportunity, and build on this growing coalition. This can be the Congress that finally protects our children from nicotine addiction and disease -- and gives America the healthy kids and families we deserve.

From Josh Gotbaum
To Jerry Mande



Toby Donenfeld @ OVP

02/10/98 05:12:30 PM



Record Type: Record

To: See the distribution list at the bottom of this message
cc: See the distribution list at the bottom of this message
Subject: Conrad Event and Briefing

Ron has requested that the following people participate with him in the pre-briefing w/ the VP tomorrow immediately prior to the Conrad event: Bruce, Elena, Don, Toby, Jerry, Pat Ewing, Larry Haas and Kay Casstevens.

The briefing is scheduled from 1:50 p.m. - 2:20 p.m. in the VP's Senate office in the Capitol. (He's coming from the State Dept., sorry for the inconvenience) I've arranged for a VP driver to drive us all to the Capitol. The van will leave the South court at 1:25pm (please try to be on time).

Below is the latest schedule for the VP:

1:50 pm	BRIEFING
2:20 pm	Senate Office Contact: Toby Donenfeld
2:25 pm	THE VICE PRESIDENT departs The Senate En Route: Russell SOB Drive Time: 5 minutes
2:30 pm	THE VICE PRESIDENT arrives RSOB
2:30 pm	MEET AND GREET WITH SENATORS
2:40 pm	488A RSOB Contact: David Thomas, Toby Donenfeld WHITE HOUSE PHOTO ONLY
2:45 pm	REMARKS AT "HEALTH KIDS ACT" INTRODUCTION
3:30 pm	ANNOUNCEMENT 485 RSOB Contact: Toby Donenfeld, David Thomas OPEN PRESS

Advance: DT

Format:

-- A child (tbd) announces the VP, Senator Daschle and

Senator Conrad into the room.

-- Senator Daschle makes opening remarks and introduces Senator Conrad.

-- Senator Conrad makes remarks and introduces the Vice President.

-- The Vice President makes remarks.

-- Senator Conrad ends the program.

-- The Vice President departs.

-- Senator Conrad remains on stage to answer questions.

3:35 pm

THE VICE PRESIDENT departs Russell SOB
En Route: The White House
Drive Time: 10 minutes

Message Sent To:

Bruce N. Reed/OPD/EOP
Elena Kagan/OPD/EOP
Donald H. Gips/OVP @ OVP
Patricia M. Ewing/OVP @ OVP
Lawrence J. Haas/OMB/EOP
Kay Casstevens/OVP @ OVP
Jerold R. Mande/OSTP/EOP

Message Copied To:

David R Thomas/OVP @ OVP
Steven W. Adamske/OVP @ OVP
Cathy R. Mays/OPD/EOP
Laura Emmett/WHO/EOP
Scott R. Hynes/OVP @ OVP

TALKING POINTS ON THE CONRAD BILL
2/11/98

- The President wants to sign a comprehensive tobacco bill that meets his five principles --and most important, that includes a significant price increase to reduce youth smoking.
- The Conrad bill meets each of the President's five principles. The President is proud to support it and would gladly sign it.
- By introducing this very strong bill, Sen. Conrad has taken an important step toward the enactment of comprehensive tobacco legislation. His bill adds to the momentum for comprehensive legislation, and serves as a challenge to all other Members to work toward this goal.
- Of course, the President will also support other bills that meet his principles, whether introduced by Democrats or Republicans. His Administration will work with as many Members as possible on the issues involved in comprehensive legislation.
- The President, however, will not support piecemeal tobacco legislation. In particular, he will not support a bill without the significant price increase necessary to reduce youth smoking.

**Q & A ON TOBACCO FOR THE VICE PRESIDENT
HEALTHY KIDS ACT PRESS CONFERENCE
FEBRUARY 11, 1998**

THE CONRAD BILL

Q. Is the Administration endorsing Senator Conrad's tobacco legislation? If the Administration is not endorsing the bill, why are you here?

A. The Conrad bill is a very strong bill; we support it; and we think it deserves broad congressional support. We'll get behind any bill that meets the President's five principles. We want to work with as many Members as we can, from both sides of the aisle, to adopt comprehensive tobacco legislation.

I am here to support this important step forward and to encourage other members to support comprehensive tobacco legislation and pass it this year.

Q. There have been conflicting reports in the papers that you are endorsing Senator Conrad's legislation or that you are shunning the Democrats and not endorsing the legislation because it is not bipartisan. Which is it? And are you trying to distance yourself from the Democrats?

A. As we have said, we support Senator Conrad and the other Democrats' efforts to introduce comprehensive tobacco legislation designed to reduce youth smoking that meets the President's five principles. The President would sign this bill, or any bill that does as much to meet the President's goals and principles. We hope and expect other Democrats and Republicans to sign onto this legislation or other legislation that meets our core principles. Ultimately, any successful bill must have broad, bipartisan support. The President and I are committed to working with members of both parties to shape the best ideas and proposals into a truly bipartisan bill.

Q. Are you concerned that no Republicans and only a handful of Democrats have signed on to Senator Conrad's legislation?

A. The Administration is very pleased that these Democratic leaders have come forward with a comprehensive bill designed to reduce youth smoking that meets the President's five principles. It is our hope that Senator Conrad's actions will push others in both parties to sign onto his legislation or to come forward with their own comprehensive tobacco legislation. I believe that it is very important to keep momentum going and to pass comprehensive tobacco legislation this year.

Q. What are the major differences between the President's budget and Senator Conrad's bill?

A. There are a few differences in Senator Conrad's bill and the President's budget on the allocation of tobacco money, but largely Senator Conrad's bill invests in the areas that the Administration believes is important: smoking prevention, smoking cessation, health research and other programs designed to benefit children. Further, Senator Conrad's bill meets the President's challenge to encompass his five principles and attack the problem of youth smoking in a comprehensive and long term manner.

TOBACCO AND THE BUDGET

Q. In September, the President said the focus of tobacco legislation should not be about money. In the budget the President submitted, more than 60 percent of the proposed increase in discretionary spending is paid for by tobacco legislation. Why have you and the President changed course?

The President's course has not changed -- Congress should send the President legislation that will dramatically reduce youth smoking. Experts all agree the single most important step we can take to reduce youth smoking is to raise the price of a pack of cigarettes significantly. That is why last September, and again in the State of the Union speech, the President called for Congress to pass legislation that raises cigarettes prices by up to \$1.50 per pack over the next ten years as necessary to reduce youth smoking. Our budget simply scores that part of President's plan, and allocates the revenues to programs that promote public health and assist children.

Q. How can you assume revenues from tobacco legislation when it's not certain whether this legislation will pass?

It is a normal part of the budget process to account for any revenues that will be raised from proposed legislation. And we believe strongly that Congress will pass comprehensive tobacco legislation this year. If everyone who says they are committed to protecting children from tobacco rolls up their sleeves and gets to work, we will pass a significant piece of legislation.

Q. Why is it that some of the programs funded with tobacco revenues have no relation to tobacco?

A. Most of the spending is directly related to tobacco, such as health-related research and smoking cessation programs. The rest goes to programs that will assist our children. We wanted to ensure that states get a substantial share of the resources, because of the state's contribution in negotiating the original proposed settlement. It is money that goes to children's programs -- to improve child care and reduce class size -- in recognition that these are shared federal and state goals.

Q. In your budget, how much money do you expect to raise from tobacco legislation

next year? What about over five years? How did you come to this figure?

- A. This budget is designed to reduce youth smoking by 30% in five years and 50% in seven years which is the President's goal. We calculate that the necessary increase in the price per pack will result in about \$10 billion in revenue next year and \$65 billion over five years.

Q. How much does your plan increase the cost of cigarettes?

- A. In order to reach the President's goal of reducing youth smoking by 30% in five years and 50% in seven years, this budget projects about a \$1.10 increase in the price of cigarettes over five years.

LIABILITY

Q. Has your position on including liability protections for the tobacco industry in a comprehensive tobacco bill changed? Will you support a bill that has liability protections in it? Has your opinion changed in light of the tobacco industry documents that have been released recently?

- A. The President will evaluate tobacco legislation as a whole to determine whether it protects the public health. As we have said before, we do not want to include liability protections in comprehensive tobacco legislation, however, if that legislation includes the President's five principles designed to reduce youth smoking, liability limits would not necessarily be a deal-breaker for us. What's important is achieving comprehensive legislation that includes a large per-pack price increase, penalties for marketing to children and broad restrictions on children's access to tobacco.

It should be noted that no one is talking about immunity from criminal prosecution: if tobacco industry officials committed perjury, lied to Congress or committed other crimes, they will be prosecuted. The limits on liability contained in the AG's proposed settlement applied only to civil suits.

LAWYERS FEES

- Q. Lawyers in both Texas and Florida have asked for obscene amounts of money for their role in bringing about the state settlements with the tobacco industry. Will the President support a provision in national legislation to limit fees for lawyers?**
- A.** The President is primarily concerned with ensuring that tobacco legislation reduces youth smoking and protects the public health -- not with collecting and distributing money from a settlement. The lawyers who brought these suits have expended lots of time and effort and deserve to be well recompensed for their work. But everyone agrees that fees should not be wildly out of proportion to the work that was done.

STATE SHARE

- Q. There are various reports about how much money from tobacco legislation will go to the states, and whether the federal government has any right to this money. What do you think the states are entitled to?**

The President's first goal is to pass national tobacco legislation to reduce teen smoking. The specific allocation of monies is a secondary issue, which I will work to resolve with the states and Congress. Both the states and the Administration have worked hard to create the conditions for national legislation. I am confident we will be able to reach, and to incorporate into legislation, a mutually agreeable approach to the allocation issues that fully recognizes the states' contribution.

A "LIGHT" BILL

- Q. Some Republicans have been talking about enacting tobacco legislation piecemeal, with legislation on youth smoking this year. Would the Administration go along with such a plan?**
- A.** We believe that Congress must enact comprehensive tobacco legislation this year. We will not be able to reduce youth smoking -- let alone meet our other public health objectives -- without a comprehensive measure. To reduce youth smoking over the long term, we must not only establish a system of penalties for failing to meet youth smoking targets, but also increase the price of cigarettes, guarantee the FDA jurisdiction over tobacco, establish a licensing system, and regulate access and advertising. Those measures are also necessary to improve the health of adults. We should not abandon the effort to enact comprehensive legislation.

Final
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FOR IMMEDIATE RELEASE

Contact: Trish Moreis
(202)785-7900

**Statement of the ENACT Coalition
Regarding the Introduction of The Healthy Kids Act**

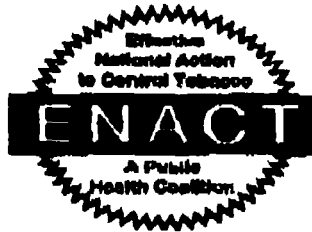
(February 11, 1998) The ENACT coalition of major public health organizations applauds today's introduction of the Healthy Kids Act by Senator Conrad and his co-sponsors. We support a strong comprehensive approach and welcome this bill.

The Healthy Kids Act encompasses the key policies that ENACT has stated must be included in any effective tobacco control legislation. The bill contains strong and effective provisions regarding FDA authority over tobacco sales, manufacturing and advertising; significant price increases to deter use by kids; effective "look-back" penalties if sales to youth don't decrease; a vigorous crackdown on the illegal sale of tobacco to minors; protections from secondhand smoke; disclosure of tobacco industry documents; assistance to tobacco farmers; and support for efforts to reduce tobacco use internationally.

ENACT believes that only a comprehensive bill that meets our minimum criteria can adequately address the complex problem of tobacco use and reduce the number of kids who start using tobacco, and the number of adults who die each year.

We expect a number of additional proposals to be introduced in the House and Senate in the coming weeks. We will evaluate each of them, and those already introduced, for their adherence to the public health principles we have set forth. ENACT is committed to working with Senator Conrad and with Members of Congress from both parties to enact a comprehensive, bi-partisan, well-funded and sustainable tobacco control policy.

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ENACT (Effective National Action to Control Tobacco) has called on Congress to rapidly consider enacting comprehensive, well-funded tobacco control legislation. But time is running short for Congress to take advantage of this historic opportunity and enact legislation this year. Therefore, we welcome the commitment of those here today and others who have made action on tobacco control a priority this year.

The Healthy Kids Act encompasses the key policies that ENACT has stated must be included in any effective tobacco control legislation. The bill contains strong and effective provisions regarding FDA authority over tobacco sales, manufacturing and advertising; significant price increases to deter use by kids; effective "look-back" penalties if sales to youth don't decrease; a vigorous crackdown on the illegal sale of tobacco to minors; protections from secondhand smoke; disclosure of tobacco industry documents; assistance to tobacco farmers; and support for efforts to reduce tobacco use internationally.

The Healthy Kids Act contains significant funding for tobacco-related public health programs, including a national counter-advertising campaign, tobacco-related research (e.g. new nicotine replacement therapies), and funds for smoking cessation programs. Unfortunately, the amount allocated to these programs is less than the levels in other comprehensive bills that have been introduced to date. ENACT believes that tobacco-related health programs should be the first funding priority in any comprehensive tobacco bill.

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(more)

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DRAFT

Conrad vs. The Budget
Comparison of Revenue/Spending Provisions over 5-Year Budget Window
(BA -- \$ in Billions)

	Conrad FY99-03	Budget FY99-03
I. Gross Receipts		
A. Tobacco assessment	94.2	87.5
B. Lump-sum payment	15.0	0.0
C. Penalties/Repayments/Recoveries	0.0	0.0
Total Gross Receipts		
 II. Net Receipts to Gov. -- Healthy Kids Trust Fund	81.9	65.6
 A. Payments to States (14.5%)	11.9	11.2
B. Grants to States for Child Care/Early Development (17%)	13.9	7.5
C. Grants to States for Education (6%) [class size]	4.9	7.3
D. Medicaid Outreach and Increased Enrollment (4%)	3.3	1.1
E. Public Health Programs (15.5%)	12.7	9.5
FDA	1.5	1.0
Indian Health Service	1.0	0.0
Other Public Health	10.2	8.5
F. NIH Trust Fund (21%)	17.2	17.0
7.5% for research into prevention and cure of Cancer	1.3	N/A
1% for CDC prevention research	0.2	0.14
1% for AHCPR health services research	0.2	0.15
G. Tobacco Community Revitalization Trust Fund (farmers) (12% 1st 10 years; 4% 11-15th yrs; 2% 16-25th yrs)	9.8	N/A
H. HI Trust Fund (4% 1st 10 years; 8% 11-15th yrs; 9% 16-25th yrs; 10% beyond) Cancer Clinical Trials	3.3 0.8	N/A 0.8
I. Reducing the Public Debt (6% 1st 10 years; 10% 11-15th yrs, 11% 16-25th yrs.; 12% beyond)	4.9	N/A

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