

Tobacco—Hill

PHOTOCOPY
PRESERVATION

THE WHITE HOUSE

OFFICE OF LEGISLATIVE AFFAIRS

HOUSE LIAISON

—FAX COVER SHEET—

TABCCO—

HILL

DATE: 10-20-99

TO:

Cynthia Rice, Eric Gould, Josh Gotbaum, Chris Jennings

FAX:

6-7431, 6-2878, 5-4995, 6-5557

FROM:

☐ BRODERICK JOHNSON
☐ AL MALDON
☒ LISA KOUNTOUPES
☐ JANELLE ERICKSON

☐ JOSH ACKIL
☐ ERICA MORRIS
☐ LAUREN GILLESPIE
☐ BRIAN MASON

(202)456-6620 (TELEPHONE)

(202)456-2604 (FAX)

SUBJECT:

Meehan / Hansen Letter To Leadership on Tobacco

1 OF 7

JAMES V. HANSEN
CO-CHAIR

MARTIN T. MEEHAN
CO-CHAIR

Congressional Task Force on Tobacco and Health
United States House of Representatives
Washington, D.C. 20515

October 20, 1999

The Honorable Dennis J. Hastert
Speaker's Office
The Capitol, H-232
Washington, DC 20515

Dear Mr. Speaker:

As co-chairs of the Bipartisan Congressional Task Force on Tobacco, we are writing to express our support for an increase in the federal tobacco tax. We believe that increasing the price of tobacco products must be considered as an important public health policy, since studies show that price increases will decrease tobacco use, particularly among youth.

Unfortunately, the debate over whether or not to increase the tobacco tax has become mired in budget politics. In the midst of all the partisan debate, we would like to reiterate the public health benefits of a tobacco tax increase. Study after study has shown that increases in tobacco prices decrease tobacco use among youth. In fact, the tobacco companies' own internal documents reveal the very real impact of a price increase on teenage smoking. A 1981 Philip Morris internal document reported that "it is clear that price has a pronounced effect on the smoking prevalence of teenagers."

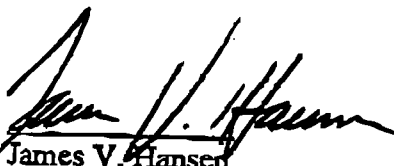
Opponents of tobacco tax complain that such a tax hurts tobacco farming communities, as well as overly burdening poorer individuals. First of all, tobacco farming communities have been much more drastically hurt by the fact that U.S. tobacco companies have, with increasing frequency, abandoned U.S. tobacco farmers in favor of foreign growers in order to improve their bottom line. On the second point, how much greater burden is placed on poor families when they have to spend sometimes hundreds of dollars every month to satisfy their nicotine addiction?

More recently, opponents of a tobacco tax increase have pointed to the detrimental fiscal impact of increasing the federal tax on state revenues and state tobacco settlement proceeds. However, the only way an increased federal tax will decrease settlement payments is if it prompts a subsequent decline in tobacco use. In our view, decreasing tobacco use is the goal of an increased tax — and surely not a justification for opposing it.

Republicans and Democrats can agree that stopping children from smoking is a worthwhile effort, and increasing the tobacco tax would accomplish that goal. We can argue about what to do with the revenues from such a tax, but if it means that fewer kids begin a habit that will most likely kill them, it is worth consideration.

We respectfully ask that you keep this in mind in the future, and not assume that the vote yesterday was a referendum on tobacco price increases, because no specific vote was allowed on tobacco tax increases.

Sincerely,


James V. Hansen
Co-Chair


Marty Meehan
Co-Chair

JAMES V. HANSEN
CO-CHAIR

MARTIN T. MEEHAN
CO-CHAIR

Congressional Task Force on Tobacco and Health
United States House of Representatives
Washington, D.C. 20515

October 20, 1999

The Honorable Richard A. Gephardt
Minority Leader
The Capitol, Room H-204
Washington, DC 20515

Dear Minority Leader Gephardt:

As co-chairs of the Bipartisan Congressional Task Force on Tobacco, we are writing to express our support for an increase in the federal tobacco tax. We believe that increasing the price of tobacco products must be considered as an important public health policy, since studies show that price increases will decrease tobacco use, particularly among youth.

Unfortunately, the debate over whether or not to increase the tobacco tax has become mired in budget politics. In the midst of all the partisan debate, we would like to reiterate the public health benefits of a tobacco tax increase. Study after study has shown that increases in tobacco prices decrease tobacco use among youth. In fact, the tobacco companies' own internal documents reveal the very real impact of a price increase on teenage smoking. A 1981 Philip Morris internal document reported that "it is clear that price has a pronounced effect on the smoking prevalence of teenagers."

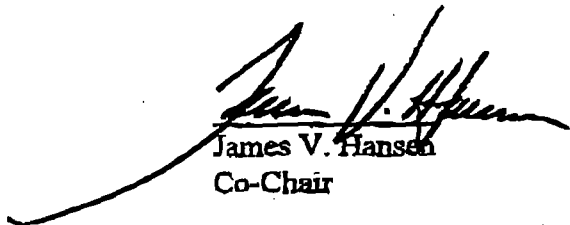
Opponents of tobacco tax complain that such a tax hurts tobacco farming communities, as well as overly burdening poorer individuals. First of all, tobacco farming communities have been much more drastically hurt by the fact that U.S. tobacco companies have, with increasing frequency, abandoned U.S. tobacco farmers in favor of foreign growers in order to improve their bottom line. On the second point, how much greater burden is placed on poor families when they have to spend sometimes hundreds of dollars every month to satisfy their nicotine addiction?

More recently, opponents of a tobacco tax increase have pointed to the detrimental fiscal impact of increasing the federal tax on state revenues and state tobacco settlement proceeds. However, the only way an increased federal tax will decrease settlement payments is if it prompts a subsequent decline in tobacco use. In our view, decreasing tobacco use is the goal of an increased tax — and surely not a justification for opposing it.

Republicans and Democrats can agree that stopping children from smoking is a worthwhile effort, and increasing the tobacco tax would accomplish that goal. We can argue about what to do with the revenues from such a tax, but if it means that fewer kids begin a habit that will most likely kill them, it is worth consideration.

We respectfully ask that you keep this in mind in the future.. and not assume that the vote yesterday was a referendum on tobacco price increases, because no specific vote was allowed on tobacco tax increases.

Sincerely,


James V. Hansen
Co-Chair


Marty Meehan
Co-Chair

JAMES V. HANSEN
CO-CHAIR

MARTIN T. MEEHAN
CO-CHAIR

Congressional Task Force on Tobacco and Health
United States House of Representatives
Washington, D.C. 20515

October 20, 1999

The Honorable William J. Clinton
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Mr. President:

As co-chairs of the Bipartisan Congressional Task Force on Tobacco, we are writing to express our support for an increase in the federal tobacco tax. We believe that increasing the price of tobacco products must be considered as an important public health policy, since studies show that price increases will decrease tobacco use, particularly among youth.

Unfortunately, the debate over whether or not to increase the tobacco tax has become mired in budget politics. In the midst of all the partisan debate, we would like to reiterate the public health benefits of a tobacco tax increase. Study after study has shown that increases in tobacco prices decrease tobacco use among youth. In fact, the tobacco companies' own internal documents reveal the very real impact of a price increase on teenage smoking. A 1981 Philip Morris internal document reported that "it is clear that price has a pronounced effect on the smoking prevalence of teenagers."

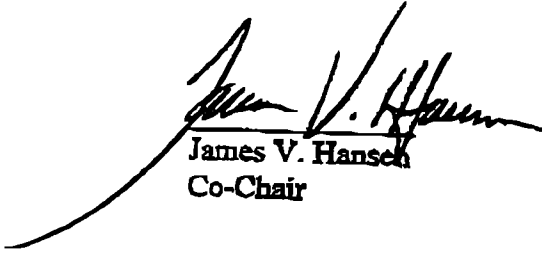
Opponents of tobacco tax complain that such a tax hurts tobacco farming communities, as well as overly burdening poorer individuals. First of all, tobacco farming communities have been much more drastically hurt by the fact that U.S. tobacco companies have, with increasing frequency, abandoned U.S. tobacco farmers in favor of foreign growers in order to improve their bottom line. On the second point, how much greater burden is placed on poor families when they have to spend sometimes hundreds of dollars every month to satisfy their nicotine addiction?

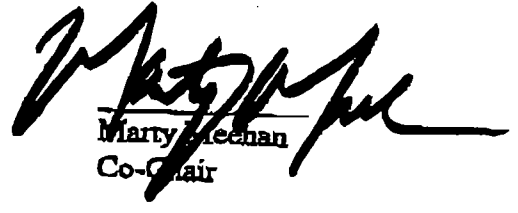
More recently, opponents of a tobacco tax increase have pointed to the detrimental fiscal impact of increasing the federal tax on state revenues and state tobacco settlement proceeds. However, the only way an increased federal tax will decrease settlement payments is if it prompts a subsequent decline in tobacco use. In our view, decreasing tobacco use is the goal of an increased tax -- and surely not a justification for opposing it.

Republicans and Democrats can agree that stopping children from smoking is a worthwhile effort, and increasing the tobacco tax would accomplish that goal. We can argue about what to do with the revenues from such a tax, but if it means that fewer kids begin a habit that will most likely kill them, it is worth consideration.

We respectfully ask that you keep this in mind in the future, and not assume that the vote yesterday was a referendum on tobacco price increases, because no specific vote was allowed on tobacco tax increases.

Sincerely,


James V. Hansen
Co-Chair


Marty Meehan
Co-Chair