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Sen. Edwards assails Clinton plan to raise cigarette tax, impose

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RALEIGH (AP) U.S. Sen. John Edwards vows to fight a Clinton administration plan to raise the tax on cigarettes by 25 cents a pack and fine cigarette makers \$3,000 a year for each underage smoker if youth smoking is not cut in half by 2004.

"I strongly support efforts to reduce teen smoking, but piling additional taxes on the backs of North Carolina farmers and workers is not the right way to help our young people," Edwards, D-N.C., told leaf growers Friday at the annual meeting of the Tobacco Growers Association of North Carolina.

"I don't need to tell you what a bad idea this tax is. I've fought it every time it comes up, and I will fight it again," said Edwards, who called the Clinton plan "a two-bit bad idea."

Clinton is expected to include the proposal in his budget blueprint to Congress on Monday.

"This \$3,000 annual assessment represents twice the lifetime profits the industry is expected to make from hooking teens on cigarettes," a White House briefing paper says.

The penalty could cost the industry an estimated \$6.5 billion in 2004, while the proposed quarter-a-pack tax increase could cost the industry \$3.5 billion a year.

White House officials said the tobacco companies' marketing still entices youngsters and that the companies should be penalized if youth smoking doesn't plummet soon.

Mike Pfeil, a spokesman for Philip Morris U.S.A., the nation's biggest cigarette manufacturer, said the proposed \$3,000 penalty is unreasonable because it would be tied to teen-agers' behavior, "not on anything the industry did or did not do."

Senate Republicans rejected a similar penalty proposal when Congress killed a major anti-smoking measure in June 1998. At the time, cigarette-makers had briefly agreed to pay up to \$2 billion in penalties as part of government negotiations that eventually collapsed.

Last year, Congress rejected Clinton's proposed 55-cent-a-pack tax increase.

Matthew Myers, president of the Campaign for Tobacco-Free Kids, praised the White House proposal.

"We think a plan like this is the only way the tobacco companies will ever seriously reduce tobacco smoking among children," Myers said.

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