

about 16 percent of all income generated, but paid 47 percent of all tobacco taxes. Let me say it again. Families earning less than \$30,000 pay 47 percent of all cigarette excise taxes.

The changes in the tax bill made last night will make the disparity among poor families even greater.

On average, low income persons pay 15 times more in tobacco taxes than upper income individuals.

And what was this tax increase on low income people going to be used for? To accelerate the increase in estate tax relief, which goes primarily to upper income individuals. This is a reverse-Robin Hood amendment. We are taxing the poor to help the wealthy.

The amendment will also reportedly be used to provide \$8 billion in additional spending for health insurance. Just a couple of weeks ago we heard how this would violate the budget agreement. We voted 55 to 45 against an amendment that would raise taxes in order to raise spending on health insurance. Phone calls were made to the President of the United States to tell him how this would violate the budget agreement and how he better announce he was opposed to the amendment. Yet last night, some of the very same Senators who made those arguments on the floor a few weeks ago apparently voted in favor of a very similar amendment. How could it violate the budget agreement a few weeks ago and not now?

Last, Mr. President, the timing of this tax increase is most interesting. Later today we may hear an announcement of a "global settlement" of tobacco litigation. The agreement will require congressional action. As I understand it, this agreement completely fails to address the interests of tobacco farmers and factory workers, nearly all of whom are low to moderate income workers. But we will have that debate on another day.

What is interesting today, however, is the impact of that agreement on all these proposed cigarette tax increases. The tobacco settlement, if implemented, will have an immediate impact on prices, raising the price of a pack of cigarettes by somewhere in the neighborhood of a dollar. This, of course, will depress consumption—which in turn will reduce revenues by about 20 to 25 percent, or maybe even higher. So any proposals in the reconciliation bill to raise revenues by raising cigarette taxes will prove to be overly optimistic as soon as any global settlement is implemented. This means less revenue will actually be raised, and our deficit problems will be worse—particularly in the out years. So there is a great ripple effect as work here if these tax increase proposals succeed.

But last, Mr. President, let me return to my initial point. The tax package considered by the Finance Committee benefits upper income individuals too heavily. The cigarette tax adopted last night makes matters even worse, be-

cause it is primarily a tax on low income individuals. So not only do low income folks get virtually none of the tax breaks—but they will now get a tax increase.

I hope my colleagues who claim great concern for low income people will keep this in mind as they prepare to vote on the tax reconciliation bill. As for this Senator, I think a bad bill was made worse by the Finance Committee last night, and it is simply not a package I can support in its current form.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The Senator from Pennsylvania.

#### AMERICANS DISABLED FOR ATTENDANT PROGRAMS TODAY

Mr. SPECTER. Mr. President, I have sought recognition today to discuss programs proposed by the Americans Disabled for Attendant Programs Today, a group known as ADAPT, that is working to help people who are disabled live normal lives.

There is a curious provision in the Medicaid laws, one of many curious provisions in the Medicaid laws, which does not permit people to live at home in community-based settings as opposed to being in nursing homes. I have sought to persuade the Secretary of Health and Human Services to change that program with a letter which I wrote to her on February 28, 1997, pointing out that "it has been brought to my attention that considerable savings to the Medicaid Program could be achieved by redirecting long-term care funding toward community-based attendant services, and by requiring States to develop attendant service programs meeting national standards to assure that all people with disabilities have full access to such services and can live at home."

When the Secretary came for a hearing, the question was propounded and the response has been that "HHS is currently considering such programs as a policy option but has not yet put them into effect. The Robert Wood Johnson Foundation is funding a demonstration program that will be operational next year, and the Department is looking toward the results of that program before acting."

It is my thought, Mr. President, that there is a clear-cut need for this kind of a program to be put into effect forthwith, and if the Department of Health and Human Services does not do so, then it may be necessary to enact legislation which would require the Department to act in that way. In the meantime, the appropriations subcommittee, which I chair, has increased the funding for the independent living program by some \$2.1 million for a \$74.6 million allocation this year.

I had occasion earlier this year to visit a group of people who are living at home and told them that I would display on the Senate floor their sweat shirts and send to them a video cas-

sette. Sweat shirts are very popular these days. This one says, for those who might not be able to read it on C-SPAN2: "Our Homes, Not Nursing Homes." Underneath the logo is "ADAPT," which is Americans Disabled Attendant Programs Today.

They are a very courageous group. They are principally in wheelchairs, with very, very substantial disabilities, struggling to live independent lives and doing a great job at it. What they want is the flexibility to be able to live at home and to have home services.

I think this is another area where Medicaid ought to have a little flexibility, understanding the needs of people. One way or another, Mr. President, we intend to get there and reasonably soon.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 943 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

(The remarks of Mr. SPECTER pertaining to the introduction of Senate Concurrent Resolution 34 are located in today's RECORD under "Submissions of Concurrent and Senate Resolutions.")

Mr. SPECTER. I thank the Chair. I note the absence of any other Senator seeking recognition and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

The PRESIDING OFFICER (Mr. ENZI). Without objection, it is so ordered.

Mr. COVERDELL. Mr. President, I ask unanimous consent in the period of morning business, the following Senators be permitted to speak for up to the following periods of time: Senator MURKOWSKI, 30 minutes, and Senator COVERDELL or his designee for up to 60 minutes from the hour of 2 o'clock to 3 o'clock.

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

#### TAX RELIEF

Mr. COVERDELL. Mr. President, we are in the midst of a great deal of history in the 105th Congress. As most people now realize early out, the Congress, the leadership of the Congress and the President of the United States and his administration reached an agreement that they would work together to produce, finally, after well over a decade, tax relief, and that we would produce by the year 2002 a balanced budget which would, of course, by definition, produce constrained spending, and that we would take steps to protect the solvency of Medicare at least for upward to a decade, and begin to reduce spending in order to reach these balanced budget goals.

By and large, I believe the American people are pleased with the concept of