

Reynolds and probably heard their reassuring executives.

Lynn Beasley, senior vice president in charge of marketing Winston and Camel cigarette brands, R.J. Reynolds. I hope no kid ever smokes, ever. I don't want kids to smoke.

But at three of the company's famous Winston cup races in their own backyard—North Carolina—we found thrills, spills, and the company appearing to break its word.

Christine Coltellaro, 16, Northern Virginia high school student, accepting cigarettes from a cigarette marketer: Do I keep these? Marketer. Yeah.

Christine Coltellaro. Thanks.

Our hidden cameras caught marketers hired by the company handing out Winston and Camel cigarettes to underage smokers—two girls 16 and 17 years old, who simply said they were over 21.

Undercover video shots of the two girls getting cigarettes.

It's a major embarrassment for tobacco giant R.J. Reynolds, maker of Camel and Winston brands.

R.J. Reynolds on site marketing manager Jimmy Holder, as he covers the camera lens. Can we just stop this and talk of camera?

ACA Reporter Salort. No, absolutely not.

Why does he want our camera's off? This manager's company, R.J. Reynolds, has been caught at the worst possible time. President Clinton is trying to ban tobacco promotions from sports events because he feels they convince kids to smoke. The cigarette giveaway appears to be a graphic example of why the President is worried.

Christine Coltellaro. Compared to getting them at gas stations or 7-Elevens, or quickie marts, it was pretty easy.

Christine Coltellaro and Margie Bailey are underage smokers. We hired them to see if they could obtain promotional cigarettes at Winston Cup Races this fall.

Christine Coltellaro. They said, "Well, we need identification." I said, Well I don't really have any on me. They said "Don't worry about it."

In fact, listen close, this man says he's kidding.

Cigarette marketer, handing cigarettes to Christine: I need to see a major credit card and a license.

Christine. I don't have any major credit cards or license on me.

Marketer. I'm kidding.

ACA Reporter Mike Salort confronts marketer who has given cigarettes to the two girls. What are you told by the company that hires you. What you need to do before you give out—

Marketer. We're supposed to check ID.

Salort. You are. Then you're supposed to have a picture ID checked.

Marketer. Yes sir.

Salort. You do that in every case?

Marketer. If they look under 30, yes sir.

Salort, pointing at the two girls. Would you say these two look under 30?

Marketer. No sir.

Salort. They don't look under 30?

Marketer. I wouldn't say so.

So he says these kids look like women in their thirties! We asked the same question of the R.J. Reynolds boss for the race.

Salort, pointing at the girls. Would you say they look under 30?

Jimmy Holder, RJR manager. Yes sir, I would.

Salort. So, what's your policy here?

Holder. Our policy is, we've told 'em all, we stress for everyone to card people who look under age.

That's the official Reynolds policy anyway. Only who can produce a pack of their own, 21 and older are supposed to get the handouts. That's three years more than the

legal age of 18, and it's true when we brought 13 year olds to the races, they were turned down. But it was a rare occasion when cigarette marketers refused our 16 year olds.

ACA Reporter Mike Salort interviewing Rep. Henry Waxman, D-Calif. Salort, handing Rep. Waxman three plastic bags filled with cigarettes. Ok, you've seen the tape, and this was their haul from three separate races. What's your reaction to that Congressman?

Waxman. There's a lot of cigarettes in this haul. The R.J. Reynolds company has run ads all over the country saying actions speak louder than words, and I think their actions on these tapes speak louder than words.

As much as the cigarette giveaway makes him burn, Congressman Henry Waxman of California suspects it's part of a larger scheme to get kids to start smoking.

Waxman. I just feel that the cigarette companies are hypocrites.

R.J. Reynolds Senior Vice President Lynn Beasley. I am really deeply, deeply upset by it.

She's Lynn Beasley, senior V.P. in charge of selling Camel and Winston brands. But flawed as she says her giveaway program was, Beasley denies it's part of a bigger scheme to expose kids to cigarettes. She says the sample smokes, the colorful booths, and the fancy merchandise are all for adults, and what about this . . . It's Camel's Smokin' Joe Ride, hauled to every Winston Cup stock car race. Inside that ride, on a screen in front, kids will tell you—

Young race fan, waiting in line for the camel ride: "It's a simulator. You start out on a rollercoaster and you go to, like, different rides."

Like an exciting car race video, jam packed with cigarette logos.

Shot of Winston and Camel logos flashing across screen. Audio from ride: "thank you for your support of Winston motor sports."

And when it's over, step outside and find yourself conveniently close—to one of those cigarette booths.

Lynn Beasley. We are not trying to appeal to kids.

ACA Reporter Mike Salort. So who does this ride appeal to?

Beasley. Adults. Ninety-seven percent of the people at these events are adults.

Salort standup. Even so there are still hundreds of kids at these events being exposed to that colorful Camel campaign. It's emblazoned on sweatshirts, banners, even pins. It's a sponsorship the government wants to ban because it believes the campaign pushes kids to smoke.

While R.J. Reynolds says giving cigarettes to kids was wrong, the company's Lynn Beasley makes no apologies for the festive tobacco marketing at sports events.

Beasley. Advertising does not cause kids to smoke, it doesn't. Look at the facts. Every study that has been done, study after study, shows the reason kids smoke is because of peer pressure and family influence.

Salort. Every study?

Beasley. Yes!

Incredibly Beasley says she hasn't even heard of a paper unveiled for the press just weeks ago, and published in the prestigious Journal of the National Cancer Institute. That report says promotions like these may well affect kids. It even says the number of kids smoking Camel's jumped after the introduction of the Joe Camel ad campaign, which Beasley worked on.

Salort. Does it disturb you that there's a study out there that says that what you're saying is absolutely wrong?

Beasley. I will take a look at it. I'm telling you, what I have seen is that the overwhelming evidence is that advertising does not cause kids to smoke.

And for that reason, Beasley says her company will still sponsor sports events. But after seeing our footage, she plans big changes for her cigarette giveaway.

Beasley. I think where we went wrong was not in absolutely requiring ID for everyone, regardless of what age they looked.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 5 minutes.

[Mr. BURTON of Indiana addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Ms. DELAURO] is recognized for 5 minutes.

[Ms. DELAURO addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

[Mr. ROHRABACHER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. KIM] is recognized for 5 minutes.

[Mr. KIM addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### AN INCREASE IN MEDICARE PREMIUMS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. PALLONE] is recognized for 5 minutes.

Mr. PALLONE. Mr. Speaker, I wanted to address the fact that today, once again, but this time in the context of the continuing resolution, the Republican leadership has imposed the increase in Medicare part B premium payments under Medicare. As we know, when the Medicare bill that was sponsored or that was advocated by Speaker GINGRICH and also by the Republican leadership came to the House floor a couple weeks ago, it actually doubled part B premiums under Medicare. That is, the Medicare Program that covers physician care, over the next 7 years would essentially double for Medicare recipients and those who participate in the Medicare Program.

We know that at this point the legislation, both the budget and the Medicare bill, are in conference. It was also included in the Budget Act, and the Senate and the House have yet to meet on the budget which includes those Medicare provisions.

But while that is pending, today in the context of the continuing resolution, the Medicare premium increase