Senate, like Jim Kennedy who helped people like me give service to the public, and hopefully in that service make this a freer, better country and world.

I thank you, Mr. President, and I yield the floor.

Mr. SMITH of Oregon addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Oregon.

Mr. SMITH of Oregon. Mr. President, I request 10 minutes as part of morning business.

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

TAX LIMITATION AMENDMENT

Mr. SMITH of Oregon. Mr. President, I rise today to join 19 of my colleagues as a cosponsor of the tax limitation amendment, a proposed amendment to the Constitution to require a two-thirds vote of the House and Senate to raise taxes.

I stand here as an elected representative of the State of Oregon. A State that last year added a three-fifths vote of its legislatures as an amendment to its State constitution in order to raise taxes.

This requirement stipulates that when Government seeks to raise taxes, to increase what it takes out of its citizens pocketbooks, there ought to be more than a narrow agreement—and, indeed there ought to be a broad consensus.

Oregonians believe that before there is to be an increase in taxes, there has to be a firm belief by a supermajority of its elected representatives that this is necessary. That is why we amended the State constitution to require just such a supermajority in 1996. Further, a two-thirds vote requirement fits with the spirit of the Federal Constitution. Supermajority voting requirements are found throughout the Constitution. Some people say to me, ''Well, you don't need a supermajority voting requirement. We rule by majority in this country.'' But the truth is our Founding Fathers knew there were times when it had to be otherwise. That is why in articles I, II, V, VII, VIII, IX, and XXV there are supermajority voting requirements. These are applied to things like motions to consent to a treaty, to override a Presidential veto, or to vote in the case of a Presidential disability.

Further, the 16th amendment, which provided for the Federal income tax, had to be approved by a vote of two-thirds of Congress and three-fourths of the States. It is logical that an amendment to extend this tax burden would require a supermajority vote.

Our Founding Fathers saw reason to check the simple majorities used in deciding issues in a democracy. In the Federalist Papers, Hamilton, Madison, and Jay all cautioned that simple majorities can lead to mob rule.

Indeed, our Founding Fathers were particularly sensitive to protecting our citizens from unjust taxation. Indeed, our break from Great Britain stems from a fight over unjust taxation.

Ours is a nation born out of a tax rebellion. And the spirit of that rebellion still beats in the heart of Americans.

Now some may say we don't need this amendment because the people can simply vote against lawmakers who keep increasing taxes.

In the Federalist Papers—Federalist 51—however, James Madison said: ''A dependence on the people is no doubt the primary control on the government; but experience has taught mankind the necessity of auxiliary precautions.'' And that's what this proposed amendment is: an auxiliary precaution against overtaxation.

I believe it is imperative, now that the balanced budget amendment has been defeated, that any action to increase taxes require a supermajority of both Houses. In my opinion, without this two-thirds rule, politicians too easily fall back on tax increases in order to balance the budget.

Really, there are just three options for balancing the budget: You can cut discretionary spending, cut entitlement spending, or you can raise taxes.

As for No. 1—there simply isn't enough discretionary funding to cut, in order to balance the budget.

As for No. 2—entitlement costs are spiraling out of control and each year the Clinton administration shows that it is unwilling even to educate the American people as to the hard choices that lie ahead.

This leaves No. 3—raising taxes—as the last option. And that option is the one I would like to see made more difficult to undertake. Yet at the moment it only takes a simple majority—50 plus 1 in the Senate—to raise taxes.

Indeed, the 1993 Clinton tax bill, the single largest tax increase in the Nation's history, passed by this slim margin of 50 Senators, plus the Vice President acting as President of the Senate.

As I have said, many States have already passed similar legislation to make it harder to take more in taxes out of the citizen's pocketbook. This legislation works on the State level. It is needed at the Federal level. And this fact is unmistakable.

In most of those States where a supermajority is required to raise taxes, taxes as a proportion of personal income have declined. In those States without the supermajority, taxes as a proportion of personal income have risen.

I think most Americans believe they are already paying too much in Federal income taxes. What some call tax day—April 15—is next week.

Let me take a moment and put things in perspective for you—how taxes have risen over the last few decades.

What we call tax freedom day—the day that the money you earn starts going into your own pocket and not the Government's, has changed. In 1950 it was April 3.

This year it will be sometime in mid-May.

In fact, today the average family pays more in taxes each year than it does in food, shelter, clothing and medical care combined.

Add up the taxes—local, State, and Federal—for most it takes half of what people make. Can't we in Government discharge our legitimate public obligations on such a percentage? I think we can, I think we should, and we must.

I want to see our Government balance its budget. But I also want to see this trend of increasing taxation come to an end. I believe that this tax limitation amendment is the surest way to do that.

And I urge my colleagues to support the tax limitation amendment.

Thank you, Mr. President. I yield the remainder of my time.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

KICK BUTTS DAY

Mr. LAUTENBERG. Mr. President, today is the day known as Kick Butts Day. It is a day when kids all over the country will express their opposition to cigarette addiction and the dangers that it poses to health. They are resisting tobacco company efforts to target them as consumers and ensnare them in a lifetime of addiction.

That is why I want to spend a few minutes today to discuss the subject of the possible legislative settlement of claims against the tobacco industry. It has been suggested that perhaps the example set by Liggett & Myers, the company that agreed to reveal its innermost documents to tell the public at large everything that went on in the secret meetings of their company and other companies with whom they were working, has apparently been an inducement for other companies that think perhaps now that the pressure is on the tobacco industry maybe they can affect a settlement. Well, this is no time for that kind of thing.

On Tuesday of this week, I introduced the Tobacco Disclosure and Warning Act, which would require the tobacco companies to disclose the ingredients and the carcinogens in their products and place larger and clearer warning labels on their packs. These new labels would send a more effective message to kids about the dangers of smoking.

Yesterday, I spoke in the Chamber about the Joe Camel advertising campaign by R.J. Reynolds. This advertising campaign uses cartoons to market cigarettes to kids. Senators DURBIN, WELLSTONE, HARKIN, KENNEDY, MURRAY, and WYDEN have joined me in

sending a letter to the chairman of the FTC asking him to bring an unfair advertising case against R.J. Reynolds for the Joe Camel ads.

In a stunning development several weeks ago, this cloak of deception that shrouded the activities of the tobacco industry was removed when the Liggett group settled 22 State lawsuits because they admitted that smoking causes cancer and other diseases, that nicotine is addictive, and that the tobacco industry targets underage smokers. It also agreed to a 25-year payment schedule to the States, to release internal documents providing evidence of the above claims, and to accept FDA regulation along with stark new warning labels on its cigarettes. This settlement that was worked out between Liggett and the State attorneys general is truly historic. It will open up the floodgates of information about tobacco. The truth is that smoking is addictive and it kills.

The documents that will become public as a result of this settlement will help expose the conspiracy of deception and intimidation tobacco giants have engaged in for years. They have used this deception to thwart claims against them in court, to derail reasonable attempts at regulation, and to curb public education programs to protect the public health.

It is rumored that the tobacco industry, or at least some firms, will now seek protection from Congress, asking for a ''global settlement'' of claims against them. I hope that every Senator will maintain a healthy skepticism about any proposed legislative settlement of legal claims against the tobacco companies.

The bipartisan group of attorneys general pursuing these lawsuits have shown enormous courage and tenacity in the face of tobacco industry stonewalling. We should not undercut them. Nor should we intervene to help the companies in pending litigation brought by individual Americans who suffered harm as a result of the industry's deadly and deceptive practices. We should not hinder the ability of the States and the taxpayers that they represent, or individuals, to receive just and fair compensation for the harm or expense that they suffered.

I hope Members of this body will be very analytical as they hear this appeal and resist efforts to bail out the tobacco industry in Congress.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arizona.

Mr. MCCAIN. I thank the Chair.

(The remarks of Mr. MCCAIN and Mrs. HUTCHISON pertaining to the introduction of S. 547 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

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

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

Mr. WYDEN. Mr. President, I ask unanimous consent to speak up to 15 minutes as part of morning business.

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

Mr. WYDEN. Thank you very much, Mr. President.

MEDICARE REFORM PRINCIPLES

Mr. WYDEN. Mr. President, as you know, I have come to the floor each day this week to talk about what I think is the critical need for the Senate to move forward with bipartisan Medicare reform. I believe there is a unique window of opportunity now for action, a window built around the proposition that our economy is moving forward in a positive way. Certainly, we are a few years away from the demographic earthquake that is coming, and I believe it is possible to fashion a bipartisan package that will also achieve real savings to advance the cause of enacting a balanced budget.

I come to the floor today to reflect for just a few moments on some of the discussion over the last few days as it relates to Medicare and the budget. It is my view that Senator DOMENICI, the chairman of the Senate Budget Committee, said it very well a number of weeks ago when the Budget Committee first began hearings on this year's budget, when Senator DOMENICI said, with respect to Medicare, policy must drive the budget numbers. Unfortunately, that has not been the case in the past, and I am concerned, based on the discussions that have gone on in the last couple of days as well, that we are moving away from the need for structural Medicare reform that is in the interests of both seniors and taxpayers.

In the last Congress, I think we did see a numbers-driven approach to Medicare. Over in the other body, there was a judgment made that spending for Medicare had to be reduced $274 billion. Others in my party proposed reducing Medicare spending by a smaller sum. In both instances, I do not think enough attention was paid to the need to come up with sensible policies that would really show how you could get to those kinds of budget savings proposed by either party in a way that was good for both seniors and for taxpayers.

If we look at the debate over the last couple of days, we see some of the discussion again moving just to the question of a budget number. I am convinced that it is possible over the next 5 years to save about $100 billion as it relates to the Medicare Program and do it in a way that protects the interests of older people and also will help to reduce the deficit.

But I think it is even more important—even more important, Mr. President—that this body understand that the big challenge is to lay the foundation for 21st century Medicare and that that challenge goes far beyond the question that has driven discussions the last couple of days. What we have to do is start bringing choice and competition to the Medicare Program. That is what is driving progress as it relates to health care reform in the private sector, and, obviously, choice and competition is what Members of this body enjoy through the Federal employee plan.

I think it is possible to do this in a way that protects the rights of patients and makes sure that as we look to the future with more choice and more competition, that it is a future that does not involve health plans with gag clauses, does not strip seniors of their rights to appeal a denial of benefits, makes sure that their grievance procedures include what are called ''report cards'' so that our country can find out if people who sign up for health maintenance organizations drop out a few months later because service is unacceptable.

The Congress now, as we move to try to develop a budget resolution, I think can find an opportunity to generate real savings.

I do not want to, in any way, minimize the importance of that task in getting a budget. But we can do it in a way that will also ensure that the kind of structural changes in Medicare are made and we put this program on a solid footing. If that is not done, Mr. President, we will see a continuation of the kinds of problems that Chairman GRASSLEY demonstrated this morning at the Senate Committee on Aging.

Senator GRASSLEY held a very important hearing as it related to accountability in the Medicare Program and particularly as it related to managed care. What Senator GRASSLEY's hearing pursued was making sure that older people could have access to good information so they could make choices in their Medicare.

In this country, we have, unfortunately, because Medicare has not been modernized, a situation where older people either have no choices, which goes on in rural parts of the United States, such as the area that the Presiding Officer represents and I represent, or, as we saw this morning in Chairman GRASSLEY's hearing, places like Los Angeles where there is kind of a blizzard of information offered and it is not possible for older people to compare the policies that are offered to them in an intelligible kind of way.

I said at Mr. GRASSLEY's hearing that as we go forward with Medicare discussions let us make sure that his work, which is designed to empower consumers and is certainly not going to be a budget buster because it is largely an effort to try to force disclosure and comparability of these various plans—I urged that Chairman GRASSLEY's work be included in a final bipartisan package.

Suffice it to say, you do not hear much discussion in terms of the budget