

Senator proposes hike in tobacco tax

by Bend_Weekly_News_Sources

Raise the Federal Tobacco Tax to Cover More Kids, Smith Says

Senator Gordon H. Smith (R-OR) announced today that he will support a raise in the federal tobacco tax to fund health care coverage for more children and pregnant women under the State Children's Health Insurance Program (SCHIP). SCHIP must be reauthorized by the end of 2007. Senator Smith has said he would use the increased revenue to expand the program to cover all children and pregnant women up to 300 percent of the poverty line (\$41,070 for a family of two).

"I will support an increase in the federal tobacco tax and dedicate the additional revenue to covering more children," said Senator Smith. "It is rare that I even consider a proposal that raises taxes. However, as I have done before, both in Oregon in 1993 for the Oregon Health Plan and in Washington D.C., I have and will vote to support an increase in the tobacco tax if I believe the cause is just. The reauthorization and expansion of SCHIP is just such a case. The goal is laudable and I believe warrants the change.

"This year, funding expires and we have a challenge on our hands to come up with the needed funds to continue the program in its current form and expand coverage so more children receive help. An increase in the tobacco tax brings us closer to achieving this goal. When it comes to the health of our children, we cannot be penny-wise, pound foolish. The health of our children is worth our investment."

Senator Smith's priorities for the SCHIP reauthorization are as follows:

Ensure all those who are enrolled in the program continue to receive coverage;

Cover those currently eligible, but not enrolled;

Expand coverage to all pregnant women and children up to 200 percent of the federal poverty level (\$27,380 for a family of two);

With new revenue from an increased tobacco tax, expand coverage for pregnant women and children up to 300 percent of the federal poverty level (\$41,070 for a family of two); and

Cover parents if additional funding is available.

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