

to say how proud I am of the people who have that attitude—that we are going to rebuild, we are going to come back. But it is not going to be easy, Mr. President.

This picture shows a wider shot of the fire devastation. Here you can see an entire row of buildings that are absolutely gutted. By the way, they have already started the process of tearing down these buildings even though the flood water remains.

This is a picture taken in the residential district. It shows a house that has been floated right off of its foundation. There are thousands and thousands of homes flooded in this community. Ninety percent of the community—I think roughly 12,000 homes—many of them are absolutely destroyed. They are up to their eaves as you fly over much of this community. All you see are rooftops, and many homes have been forced right off their foundations.

The pressure and the current running here looks placid. It looks placid, but in fact there is a very strong current. My colleague, Senator DORGAN, just took a boat tour with the Coast Guard. They told him if anybody falls out of this boat, you are in deep trouble because the current is so strong it will suck you right down. So these are the conditions that people are having to deal with in Grand Forks.

This is another shot down one of the streets leading to the University of North Dakota. You can see these vehicles are completely engulfed in the flood water. As Senator DORGAN said, as he went in this boat, at one point they hit something, and they realized they had gone over a car in this boat as they went through the flood waters. In some places the water is 10 feet deep.

This is a picture of a church and graveyard. This is not in the city. This is out in the country. This shows how widespread the flooding is. This is miles from the city of Grand Forks. Yet you can see on the gravestones how deep the water is. And it is still there.

This is a shot, and the last picture I will show, and it perhaps is a little hard to make out because it is a shot that was taken and provided to us by CBS News. I took a CBS News crew with me on a helicopter tour north of Grand Forks. This is something that is an untold story. The focus, understandably, has been on Grand Forks because of the remarkable set of events there. The untold story, now told by CBS News because they were the first to see it, is what has happened north of Grand Forks. Perhaps it is hard to make out. But what you are seeing here, as far as the eye can see—and we are up in a helicopter; this is a picture taken out of the helicopter—as far as the eye can see, it is water.

It is the most remarkable thing I have ever seen. We were at many places as we flew north from Grand Forks, which is 75 miles from the Canadian border, and we flew within 8 miles of the Canadian border. The entire way

the river has expanded—not just river flooding but overland flooding from the extraordinary snowfall. The combination has led to a body of water 30 miles wide. As far as the eye can see, it is water.

You can see, here are some roads that are built-up roads. These are roads that are on raised elevations. You can see where they are flooded as well even though they are 3 to 4 feet above the farmlands. So you can see this water is 3 to 4 feet deep, in some places as much as 8 feet deep, and 30 miles wide. It is simply extraordinary.

Mr. President, I will end the presentation there just to say we will be considering the disaster supplemental next week. I ask my colleagues to help us pass that expeditiously and to provide the assistance that is so desperately needed, not only in North Dakota but neighboring Minnesota and South Dakota as well.

I thank the Chair and yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 20 minutes.

Mr. KENNEDY. Mr. President, first of all, I thank our friend and colleague from North Dakota for his excellent presentation. All of the citizens in that part of the country have the extraordinary admiration, I think, of all Americans, certainly my region of the Nation, for their determination and courage and perseverance in facing this extraordinary act of nature.

We just want you to know from our area of the country that we want to cooperate and help and assist and will support your initiatives and other initiatives to try to help and assist the people who in so many instances lost so much but still have not lost their spirit. So we are full of admiration for their inner strength and for their resolution. I think all Americans have been very moved by what has happened out there, and we are eager to try to provide whatever help and assistance we can.

I thank the Senator very much for his statement.

TOBACCO NEGOTIATIONS

Mr. KENNEDY. Mr. President, in the short weeks since negotiations to settle litigation against the tobacco industry began on April 3, 28,000 more Americans have died from smoke-related illnesses and 69,000 children in the United States began smoking. One in three of these children will eventually die prematurely because of their tobacco addiction. That is the magnitude of the harm that cigarettes have caused in just 22 days.

The well-documented history of deceit and misrepresentation by the tobacco companies should make any Member of Congress extremely skeptical about the industry's good faith in these negotiations. No industry in America has a worse reputation than tobacco, and no industry in America

has done more to earn such a highly negative image.

The tobacco industry has knowingly peddled an extraordinarily addictive drug to the American public for decades. It has targeted children with massive advertising and marketing schemes designed to hook them on smoking. It has concealed the harmful ingredients in their products. And it has repeatedly lied about its activities to Congress and the Nation.

Just last week, we learned from one of the Liggett documents that the major tobacco companies knew as early as 1958—1958—that smoking caused lung cancer. Given this record of deceit and manipulation, our current skepticism of the industry is clearly warranted.

Research by the Center on Addiction and Substance Abuse at Columbia University has revealed that the harm the cigarette companies have done has extended even beyond the extraordinary death and destruction their product creates directly. Cigarettes are a very significant gateway drug leading to cocaine and heroin addiction. Children who smoke are 12 times more likely to use heroin. Children who smoke are 19 times more likely to use cocaine. Even worse, the younger the children are when they begin smoking, the more likely they are to move on to illegal drugs.

It is not because their executives are suddenly experiencing pangs of conscience over their past behavior that the tobacco companies have initiated these settlement negotiations. The real reason is obvious. Big Tobacco desperately needs a strategy to avoid huge judgments for smoking victims in pending court cases, to evade massive public disclosure in those cases of the industry's scandalous behavior, and to prevent effective new Government regulation of the industry.

The industry sees that the tide is finally turning against tobacco. The combined efforts of the Food and Drug Administration, State attorneys general, public interest litigators, and public health advocates have had a dramatic impact. The Liggett settlement has already exposed some of the industry's darkest secrets to public scrutiny. Each new public survey shows an overwhelming majority of Americans view the industry as evil.

At long last, courts are about to hold tobacco companies financially accountable for decades of injury to individual smokers and the public treasury. We have crossed the Rubicon in the war against tobacco. And the industry knows it. That is why Philip Morris and RJR Nabisco have come to the table seeking a cease-fire. They want to purchase peace at the lowest possible price, with the smallest possible change in their malignant behavior.

That does not mean we should be unwilling to talk. It does mean we should not loosen our grip on the regulatory and litigation steps which have brought the tobacco industry to the negotiation table. We should hold firm to

our demands both for fundamental change in the way the tobacco industry operates and for financial compensation from the industry in a magnitude commensurate with the harm its misconduct has caused.

The tobacco industry strategy is now to entice its adversaries into negotiations by making a series of quick concessions—especially their acquiescence in public health regulation. What is striking about their concessions is that most of them are within the power of the Federal Government to impose tomorrow. We do not need industry consent to implement most of these public health protections. All Congress needs is the will to act. What the industry is offering to do is merely call off its lobbyists.

According to those participating in the negotiations, the tobacco industry will agree to abide by the current FDA rule, and will agree in principle to significant further restrictions on their marketing practices. As part of a settlement, the industry has said it is ready to accept the following things:

First, much stronger warnings about the addictiveness and health dangers of smoking on each pack of cigarettes;

Second, full disclosure of cigarette ingredients;

Third, elimination of vending machines sales;

Fourth, additional restrictions on the advertising it can engage in; and

Fifth, expanded FDA jurisdiction over tobacco.

In essence, after years of opposition, the industry has conceded that all of these restrictions are reasonable. These concessions will stand on the public record regardless of the outcome of the talks. The industry cannot credibly return to its former position. It is within Congress' power to enact each of these reforms now—and we should do so. Congress does not need the tobacco industry's consent before we legislate to protect the public health.

What the tobacco industry has not agreed to—and what is essential to the public health—is full authority for the FDA to regulate nicotine as an addictive drug. Such authority would give the FDA the power to order cigarette manufacturers to reduce the level of nicotine in their products.

The evidence strongly suggests that tobacco companies have been deliberately manipulating and strengthening the level of nicotine to make cigarettes more addictive. It is time to reverse the process and reduce nicotine levels. This too is within Congress' power to enact today.

For a generation, the tobacco industry has been remarkably successful in evading such restrictions. No current settlement can anticipate every marketing trick the industry will use in the future.

Therefore, Congress should accept no restriction on the authority of the FDA or State government agencies to impose additional restrictions on the industry as warranted by future events.

If the tobacco industry is sincere in its promise not to target children, it should agree to a results test. Substantial financial penalties should be imposed on the industry each year that tobacco use by minors does not decline by a specific percentage. Industry dollars should be used to fund a national education campaign to publicize the addictiveness of tobacco and the health risks of smoking.

The financial settlement reportedly offered by the tobacco industry—\$300 billion over 25 years—sounds enormous at first blush. People hear the \$300 billion and don't register the 25 years. They are offering \$12 billion a year. That number pales in comparison to the harm the industry causes. According to the Congressional Office of Technology Assessment, cigarettes cost the United States \$68 billion a year in health care costs and lost productivity.

Some 419,000 Americans die each year due to smoking-related illnesses. Smokers lose an average of 15 years of their life. At current smoking rates, 10.5 million people will die prematurely due to tobacco during those years. Collectively, they will have lost 157 million years of life. Suddenly the industry's settlement offer does not sound large anymore.

If a financial settlement to compensate for past injuries is ever agreed to, payment should be made from the tobacco companies' profits, including the profits from their nontobacco subsidiaries. That would be the source of payment for any court judgment. It should similarly be the source of payment for any settlement. Compensation should come from the pockets of the wrongdoers.

Any increase in the tax on tobacco products—and I believe there should be a substantial one—should be used to fund needed initiatives to improve the Nation's health. No settlement proposal should seek to limit or cap, either directly or indirectly, Congress' authority to enact future tobacco tax increases. The cost of treating smoking-related diseases and the cost of lost productivity caused by those illnesses amount to \$2.59 for each pack of cigarettes sold in the United States. We have a long way to go to recover those costs.

Such a tobacco tax increase should be large enough to discourage children from starting smoking. Higher tobacco taxes are one of the most effective weapons in reducing smoking amongst young people.

For generations, tobacco companies have targeted teenagers for a lifetime of addiction. It is especially appropriate therefore that revenue from a tobacco tax increase should be used to provide affordable health insurance coverage for the Nation's 10 million uninsured children. Senator HATCH and I have proposed a plan to do that, and we intend to do all we can to see that this Congress enacts it.

We also hear that the industry wants blanket immunity from suit for its dec-

ades of willful wrongdoing as the price of a settlement. If that is the price, there will be no settlement. It would be unconscionable to deny people poisoned by tobacco their day in court. Each year, millions of Americans learn that they have diseases caused by smoking. In too many cases, it is beyond our power to restore their health. We must never permit the tobacco industry to extinguish their right to justice as well.

The industry's current settlement proposals are utterly inadequate. Whether measured by the scope of regulation to protect the public health or the amount of financial compensation for past wrongs, tobacco company proposals fall far short of a reasonable offer. I am confident that those representing the public interest will never accept such a lopsided settlement. Certainly, no one should think for even a moment that Congress will put its stamp of approval on such an outrageously inadequate plan.

MEDICARE

Mr. THOMAS. Madam President, we want to take some time this morning to talk a little bit about an issue that is very current, is always current, but particularly current because the trustees of Medicare have given their annual report. So we want to take some time and talk a little bit about an issue that all of us are very much interested in. I think, universally, we want to keep health care for the elderly. But the difficulty has been in facing up to some of the realistic changes that have to be made if, indeed, we are going to continue to have Medicare.

The conflict has always been a political one, frankly, between those who say Medicare is the third rail of politics—touch it and you are dead. So nobody wants to talk about it. At the same time, there is a growing recognition, a growing certainty, that unless you make some changes, this program will not be available for the elderly in years to come. So there will be several of us talking about that.

First, I would like to yield to my friend, a very strong spokesman on this and other issues, the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho [Mr. CRAIG] is recognized.

Mr. CRAIG. Madam President, I thank my colleague from Wyoming for bringing this special order to the floor and to the attention of our colleagues.

For those who are watching this morning, yesterday, the Medicare trustees issued a report that was no surprise but, clearly, once again, reaffirmed to the administration and to the Congress of the United States that there is no good news when it comes to the strength and stability of the Medicare trust funds. What we had hoped for was just news. Knowing that it wasn't going to be good, the question was how bad was the bad news going to be?