

Bush Vetoes Bill That Would Have Raised Cigar Taxes ..

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As promised, President George W. Bush vetoed the State Children's Health Insurance Program on October 3, sending it back to Congress where a wild fight over about two dozen Republican votes will begin.

Bush vetoed the bill, and with it a set of crushing taxes on large cigars, little cigars, roll-your-own tobacco and pipe tobacco that could have wrecked U.S. tobacconists and cost thousands of jobs in cigar-producing countries such as the Dominican Republic, Honduras and Nicaragua.

Democrats passed the bill in both houses with large margins, but potentially not large enough to override a veto: 265-159 in the House (with 45 Republicans voting for the bill) and 67-29 in the Senate. That Senate vote would be enough to override the veto, as it meets the two-thirds requirement, but the House total is still short. The House vote was much stronger for the compromise bill than for the original House bill, which passed only by a 225-209 margin. But even with 265 votes, supporters need 26 more votes – almost all from Republicans – to reach a two-thirds majority total of 291 (out of 435 House seats) to override President Bush's veto.

The Congressional Democratic leadership has vowed to try, however, and has put off a vote on the issue until October 18 at the earliest, so that they can bludgeon Republicans in the press and on television on the issue as "heartless." The Democratic Congressional Campaign Committee is working on radio ads likely to run only in districts where Democrats believe they might have a chance to (a) turn around a vote from a Republican representative, or (b) set up that representative as uncaring in next year's elections.

Liberal interest groups such as labor unions have pledged up to \$5 million on their own efforts to try and get House Republicans to change their vote. But House Minority Whip Roy Blunt (R-Missouri) said that the Republicans were "solid on this" and would sustain the veto.

Bush said he would be willing to work with Democrats to craft a bill he could accept, that maintains the focus of the program on low-income children instead of children of middle-income and perhaps even upper-middle-income families. He said he was willing to support some increase in funding from present levels – the President has proposed a \$5 billion increase already – but will not accommodate "the desire by some in Washington, D.C., to federalize health care."