



# AMERICANS FOR TAX REFORM

GROVER G. NORQUIST

PRESIDENT

October 24, 2007

**To: All members, U.S. Congress**

**Subject: Three key guidelines for SCHIP reauthorization**

Dear Member of Congress,

Following the president's veto of the State Children's Health Insurance Program (SCHIP), I urge you to vote against any proposal fails to meet the following three criteria:

- Does not raise any taxes, including the excise tax on tobacco products
- Keeps the program scope to between 100 percent and 200 percent of the federal poverty line
- Ensures the program covers children only, not adults

Increasing tobacco taxes would hurt job growth by penalizing small businesses, encourage smuggling and black market activity, and raise the pressure for states to increase taxes as they see revenues dry up. Scapegoating Americans for their consumption choices is nanny-statism at its worst, but this "sin tax" increase will not even achieve the goal of higher revenue.

The original purpose of SCHIP was to cover children in low income families. Broadening the scope to include wealthier children and adults not only violates the intention of the program, but opens the door for universal government insurance system.

I once again urge you to oppose all efforts to raise taxes and further bloat the State Children's Health Insurance Program (SCHIP).

Onward,

Grover Norquist