

STATE EXCISE TAXES

BACKGROUND AND STRATEGY OVERVIEW FOR SAMPLE STATES

JULY 11, 1984

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Background and Strategy Overview for Sample States

The Institute's tax briefing books are continually being developed on a state-by-state basis for use by industry lobbyists and field staff. The following information, on three states where the excise tax issue is and will continue to be critical (Texas, California, Minnesota), augments the background and statistics in those books.

Details on these three states are presented as examples only. Eventually, this type of information will be prepared for all states dealing with the excise problem.

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TEXAS

Background on Tobacco Excises

- The state has no personal income or corporate income tax. Problems in the energy industry have depleted the huge budgetary surplus made up of severance taxes from the early 1980's.
- Governor Mark White made campaign commitments in 1982 which included a 24% pay increase for public school teachers. He proposed a tax package for the 1983 session which included a 5¢ per pack increase in the cigarette excise tax. The package was killed but the Select Committee on Public Education was created to study all areas of the public education system.
- In the spring of 1984, the governor called a special session of the legislature to find funding for the Select Committee's education package and for existing programs. The goal was to raise over \$4.9 billion in the next three years.
- The session ended July 3, 1984, with a House-Senate compromise including:
 - o A 1¢ per pack increase in the cigarette excise tax (from 18.5¢ to 19.5¢), effective around October 1, 1984, and payable to the general fund to support public education.
 - o An additional 1¢ per pack increase, effective September 1, 1985, and earmarked for the state urban parks program.

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This penny tax was removed in 1983 but will be reinstated according to the special session bill.

o Also, cigarette products will be included in the state sales tax, which was increased from 4% to 4.125%, effective October 1, 1984. Cigarettes were previously exempt from the sales tax.

- The original House bill included recommendations for earmarking 1¢ of an increased cigarette excise for cancer research. This was dropped from the final bill but, the Speaker of the House, who recently appointed a 51-member Legislative Task Force on Cancer, is certain to continue to introduce such earmarking measures.
- The special session also passed a resolution to establish a Joint Interim Commission on Fiscal Policy to review and make recommendations on the state's tax structure.
- Prospects: Texas will continue to be a problem state for the industry.

The Industry's Best Arguments in Texas

- Regressivity: the burden of increasing the cigarette excise tax falls on low income families, blue collar workers, Hispanics, Blacks, and the Catholic community.
- Bootlegging: Texas has a serious bootlegging problem with military posts and Mexico. And it is reasonable to assume that organized crime is responsible for much of the Mexican bootlegging problem, since casual border crossings are more

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difficult across countries than across state lines. It is important to note that we are talking about annual legal sales of over \$1.6 billion, a tempting target for organized crime.

- Excise taxes are unfair to consumers: with these increases the government makes a few lawful products more expensive for consumers. A smoker/citizen has to pay more in taxes for the same share of government services than a non-smoking citizen.

Background on Potential Coalitions

- Business Coalitions

- o The strength of the business community, coupled with large budget surpluses in recent years, has prevented nearly all state tax increases.
- o Industry staff regularly works with the Texas Retail Grocers Association, which has been helpful to the industry in the past in opposing increases in the cigarette excise. We are also in contact with the Southwest Food Industry Association, the Texas Merchandise Vendors Association, and the Texas Association of Tobacco and Candy Distributors.
- o The Texas Taxpayers Association is very prominent and is likely to support the industry in opposing excise tax increases. The group is run by the oil industry (Exxon in particular) and tobacco is represented through our lobbyist.

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- Labor Unions .

- o The state AFL-CIO is influential with legislators in certain districts (Houston, San Antonio, Galveston, Austin, and parts of Dallas) and may be helpful in the upcoming battles we are certain to face in this state.
- o There is a major AFL-CIO organizing campaign for many types of workers underway in Houston. Dozens of national unions are participating. This is significant since it is the only organizing campaign in the country that is being run directly by the national AFL-CIO. Lane Kirkland, president of the AFL-CIO, has committed millions of dollars to this effort and has staked his personal prestige on the campaign.
- o Teachers have emerged as an important political force since Texas is one of several states which is seeking to expand its commitment to education.
- o Public employee unions are weak politically. There is no union of state employees. The Communications Workers of America have been trying to organize them for the past few years.

The following tables give rough indications of the industry's potential for influence on a tax issue in the state.

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Texas Senate Finance Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR		Santiesteban Uribe* Caperton Parker Vale	Brooks
MODERATE LABOR		Glasgow Blake Farabee	
ANTI-LABOR	Traegar* Jones		

Texas House Ways and Means Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR		Berlanga	Crockett* Stiles
MODERATE LABOR			Peveto Thompson
ANTI-LABOR		Schlueter Gibson	English Ceverha Hanna Jackson Khoury Kuempel Shea Gavin

*Marks senators and representatives with one or more counties with Hispanics comprising more than 50% of all registered voters; background on potential coalitions with Hispanic groups is discussed on the following page.

(Solid-line box shows the votes the industry can generally count on; dotted-line box shows votes the industry has the potential to influence with a labor coalition.)

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Minority/Liberal Groups

- o Hispanics have registered to vote in unprecedented numbers and are an emerging political force in the state. Influential groups include: Southwest Voter Education Project, Mexican American Democrats, League of United Latin American Citizens (LULAC), and La Raza. These groups can be influenced by the regressivity argument.
- o A number of Black citizen activist groups operate in the Gulf Coast and Houston areas. They are especially active in Representative Leland's district.
- o Public service community groups exist in most large cities and are potentially influential with key legislators. The most influential group is Communities Organized for Public Service (COPS).
- o Wilbur Cohen, head of Save Our Security (the coalition of unions, senior citizen organizations, and groups that represent women, Blacks, and Hispanics), is at the LBJ School in Austin.

Other Groups

- o Women Involved in Farm Economics (WIFE) is a grass-roots, non-partisan organization that is politically active in agricultural issues. Institute staff has worked with this group in the past.
- o Texas Political Women's Caucus. Its president is Lena Guerrero, a young Democratic party activist who is a friend of the industry's. She is a member of

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the Democratic National Committee and a candidate for the state legislature.

- o The Catholic Community, including the Catholic Archdiocese of Houston/Galveston (Archbishop John Markovsky) and Texas Interfaith (a loose confederation of local groups throughout Texas).

Potential Economic Consultants

The two important universities in the state are the University of Texas and Texas A&M. A number of elected officials also attended Baylor University.

- University of Texas

Ray Marshall, former Secretary of Labor, has a long time affiliation with the university. Marshall is very close to almost all labor union presidents. Steve Magee is a public finance economist who would probably be sympathetic to the industry's position. Magee is currently Chairman of the Economics Department.

- Texas A&M University

Chuck Maurice is sympathetic to the industry and serves as Chairman of the Economics Department. Maurice is very close to U.S. Congressman Phil Gramm, who served on the faculty before his election to Congress.

- Baylor University

Calvin Kent is on the faculty at Baylor's Institute of Free Enterprise. Both Governor White and the Chairman of the House and Ways Committee are Baylor alumni.

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Law Enforcement Consultant

- J. Wallace LaPrade, former FBI Deputy Director for New York.

Key Texas Officials on Tax Issue

Government

- Governor Mark White
 - o Assistant for Legislative Liaison: Gerald Hill
 - o Assistant on Tax Policy: Karen Johnson (formerly headed up legal division in Controller's office)
 - o Director for Governor's Budget and Planning Office: Bill Hamilton

House

- o Chairman of Ways and Means: Stan Schleuter
- o Speaker: Gibb Lewis

Senate

- o Chairman of Finance: Grant Jones
- Director of Legislative Budget Office: Jim Oliver
- State Controller: Bob Bullock (has already announced he will run against White for Governor; publicly opposed White's tax package in the special session)
- State Department of Public Safety: Jim Adams (is already friendly to The Institute's lobbyists in Austin)

Outside Government

- President of State AFL-CIO: Harry Hubbard

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- Vice President of AFSCME (head of Houston local): Maynard
white

- Director of CWA Operations: Eliseo Medino

- Director of Texas State Teachers Association: James Butler

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CALIFORNIA

Background on Tobacco Excises

- The state has one of the lowest excise tax rates in the country (10¢) and it has not been increased since 1967.
- Fiscal situation has recently improved dramatically. In less than one year, the Commission on State Finance's projected deficit of \$1.5 billion for FY1985 has become an enormous projected surplus of \$1.85 billion. (Governor Deukmejian projects a somewhat smaller surplus of \$1.43 billion.)
- Every three months, the Commission on State Finance has the responsibility for re-estimating the budget projections.
- In 1983, a major tax increase proposal was defeated which included a 5¢ increase in cigarette excises.
- During the 1984 legislative session, a bill was introduced to double the cigarette excise tax (to 20¢) with the funds earmarked for the state Medi-Cal program. The bill was defeated by a wide margin in committee. Two attempts to increase the cigarette tax by one-half cent to fund anti-smoking advertising campaigns were also defeated, as was an effort to qualify such a proposal as a ballot measure.

Background on General Tax Situation

- The surplus in this state has made an inviting target for both the governor and the Legislature to consider major tax reductions.

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o The Democratic-controlled Legislature is apprehensive about approving a large tax reduction because, if circumstances change, a tax increase is very difficult to pass (a two-thirds vote is needed).

o Governor Deukmejian appears to be paving the way for a tax reduction in 1985 -- a prospect that worries Democratic legislators who are aware of the political popularity of such a move.

- California has been a pioneer in the unitary taxation of multi-national corporations. The business community is waging a campaign to repeal the unitary tax. Both Ken Cory, State Controller, and Governor Deukmejian have proposed modifications in the current unitary structure. Unions and their allies are wary of attempts to dismantle the unitary tax; indeed, maintaining the current unitary system in California is one of labor's most important tax issues in the country.

- There will be two initiatives on the November ballot.

o Howard Jarvis has qualified a ballot initiative known as "Jarvis IV" that will greatly restrict the taxing authority of local governments, especially with respect to license fees and property taxes. A coalition is being formed to oppose this initiative.

o The National Tax Limitation Committee has qualified an initiative which calls for a constitutional amendment to balance the federal budget.

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The governor has established a tax reform advisory commission to recommend reforms on a full range of tax issues including the impact on business climate and tax equity.

The Industry's Best Arguments Against Cigarette Excises in California

- Revenues are sufficient: the state has an exceptionally large budget surplus and therefore, no tax increase is necessary.
- Regressivity: the burden of increasing the cigarette excise tax falls on low income families, Blacks, Hispanics, and blue collar workers. This argument would be effective with the liberal Democrats who control the legislature.
- Bootlegging: since the state's tax rate is low compared to neighboring states, this would not be a very strong argument. However, it may have some appeal with law enforcement audiences because of the Mexican border situation.

Background on Potential Coalitions

Business Coalitions

- o The Chamber of Commerce and the California Manufacturers Association have worked with The Tobacco Institute's lobbyists on a regular basis.
- o CalTax is a taxpayers coalition considered friendly to business groups.
- o The wine industry has been a strong tobacco ally in this state.
- o California is one of the most important states in the nation for the convenience store industry. Major

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chains have large numbers of stores here, including Southland's 7-11, National Convenience Stores, and ARCO's AM/PM Mini-markets.

Labor Unions

- o The state AFL-CIO is large and politically powerful. Its president is a former U.S. Labor Department official who aggressively supports progressive tax issues.
- o Service Employees International Union (SEIU) is the dominant union in the state with nearly 250,000 members. SEIU recently affiliated with California State Employees Association (CSEA) which represents nearly all state employees in California. The two unions have a large legislative presence in Sacramento.
- o California Teachers Association (CTA), an affiliate of the National Education Association, is the dominant teachers union in the state. CTA is very active on tax issues and usually cooperates with the other AFL-CIO unions on revenue matters.
- o The International Union of Operating Engineers (IUOE) is a strong building trades union that has a large public sector membership here. The head of the state organization is heavily involved in California politics. Deukmejian considers the IUOE a strong ally since the union supported him for Governor.
- o The Institute's lobbyists in California recommend that the industry ally itself with labor unions, especially public employee unions, to oppose Jarvis-type initiatives

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which restrict broad-based taxes. However, to do so may alienate some traditional Republican allies in this state.

- o Other major unions which do not play especially significant roles on tax matters include the Carpenters, United Food and Commercial Workers, United Auto Workers, and Communications Workers of America.

The following tables give rough indications of the industry's potential for influence on a tax issue in California.

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California Senate Revenue and Taxation Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR	Ayalla Boatwright Deddeh	Lockyer	Garamendi Hart Torres
MODERATE LABOR			
ANTI-LABOR	Richardson		

Ed Royce (R) is too new to the Senate for analysis; he is thought to be moderate on tobacco issues.

California Assembly Revenue and Taxation Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR	Floyd Elder	Hannigan Moore Cortese* Hayden*	
MODERATE LABOR	McClintock** Seastrand**		
ANTI-LABOR	Nolan Brown	Fraze*	

*Tobacco ratings are not available; they are placed in moderate column for convenience only.

**Labor ratings are not available; they are placed in moderate column for convenience only.

Assemblymen Condit (D), Klehs (D), Molina (D), and Jones (R) are too new to the legislature for analysis.

(Solid-line box shows the votes the industry can generally count on; dotted-line box shows votes the industry has the potential to influence with a labor coalition.)

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- Minority/Liberal Groups

- o Hispanics are a significant political force, and all of the national Hispanic groups are well-represented here. Caesar Chavez is the link between many low income Hispanic voters and organized labor through the United Farm Workers Union.
- o The League of United Latin America Citizens (LULAC) is strong. Arnaldo Torres, the executive director of the national association, is from the state. Before joining LULAC, Torres worked in the U.S. Congress on the staffs of Congressman Pete Stark and former Senator John Tunney.
- o Blacks are organized primarily on the basis of churches. A number of Black ministers (e.g., Reverends Kilgore and Brookings) are important political figures.
- o California Tax Reform Association is the most sophisticated progressive tax coalition in the country. Dean Tipps, currently director of Citizens for Tax Justice in Washington, D.C., was the chief lobbyist for CTRA during the late 1970's.

Potential Economic Consultants

In the past, industry lobbyists have not used economic consultants. When experts are utilized, it is essential that they be from California.

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- San Jose State University

The school is the alma mater to 25 key members of the state legislature and prominent government financial staffers in the government.

James F. Willis is the chairman of the economic department and Steve Mehay is the public finance economist.

- Claremont College

The senior public finance economist on the faculty is Thomas Borcharding, who recently testified for the industry in opposition to the 10¢ excise tax increase earmarked for Medi-Cal.

Key California Officials on Tax Issues

Government

- Governor George Deukmejian

- o Department of Finance: Cliff Allenby (a widely respected senior career official here)
- o Michael Franchett (appointed Director of Finance but was not confirmed; remains very close to Governor on finance issues)

- Lt. Governor Leo McCarthy (the highest ranking Democrat in the state and a contender for Governor in the next election)

- General Assembly

- o Chairman of the Assembly Revenue and Taxation Committee: Tom Hannigan (has a nearly perfect COPE voting record)
- o Key staff person on Revenue and Taxation Committee: Dave Doerr

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- o Speaker of the General Assembly: Willie Brown
- Senate
 - o Chairman of the Senate Revenue and Taxation Committee: Daniel Boatwright (has a COPE record near 90%)
 - o Key staff member of the Senate Office of Research: Martin Hulmke (an influential technician)
 - o President Pro Tem: David Roberti (very aggressive on finance issues)
 - o Member of Revenue and Taxation Committee: Art Torres (a newly elected senator and the most influential Hispanic leader in the legislature; he is very anti-tobacco)
 - o Legislative analyst: Bill Hamm (reports on all fiscal items to the legislature)
- State Controller: Ken Cory (has taken a leadership role in debate concerning unitary taxation; is attempting to find some compromise position that would assist new businesses while keeping unitary essentially in place)
- Commission on State Finance: this group of economists is responsible for making official state revenue forecasts on a quarterly basis
- Board of Equalization: these officials review property taxes and state aid formulas to local governments
- Franchise Tax Board: these officials are responsible for administration of all taxes except the property tax

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Outside Government

- President of State AFL-CIO: Jack Henning
- Lobbyists for SEIU: Steve Smith (former director of California Tax Reform Association)
- Executive Director of California Teachers Association:
Ralph Flynn
- Head of State IUOE: Dale Marr

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MINNESOTA

Background on Tobacco Excises

- Over the past few years, the state's fiscal situation has been extremely volatile. During the last biennium, a large tax increase passed the legislature to finance a serious budget deficit.
- In past months, the state's economy has improved dramatically and a surplus of \$900 million has accumulated. This induced a major tax cut in April 1984.
- Even though funds were not needed, there were two unsuccessful attempts in the 1984 legislative session to increase cigarette taxes:
 - o A carry-over bill from 1983 would have raised the cigarette excise tax by 4¢ and the O.T.P. tax from 20% to 25%, earmarking the increase for the Department of Natural Resources.
 - o Another bill would have earmarked 2.5% of existing cigarette tax revenues for fire prevention and research programs.
- Current excise rate has not been raised since 1971 (18¢).
- Tobacco tax bills often originate in the health committees (with provisions for earmarking) before moving to the House and Senate Tax Committees.

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Background On General Tax Situation

- The projected \$900 million budget surplus was embarrassingly large for the state (total budget for the biennium is \$8 billion).
- The Democratic Farm Labor Party (DFL), which controls both the Legislature and the governor's office, sponsored a tax reduction package to reduce the surplus to \$375 million.
 - o The major element of the package included removal of a 10% income tax surcharge retroactive to January 1, 1984. The surcharge was originally scheduled to expire in July, 1985.
 - o An attempt to roll the sales tax back from 6¢ to 5¢ was also pushed by Republicans. This would have used up the entire surplus.
 - o The tax reduction passed unanimously and support for the Republicans' measure dissipated.
 - o The DFL leadership is waiting for the report of the State Tax Study Commission before making any more tax cuts.

Minnesota Tax Study Commission

- In August 1983, Governor Perpich created the Minnesota Tax Study Commission. It will release a final report this fall to "provide the legislature with a data basis and policy guide for tax policy in the next 10-15 years" (statement made by chairman of the commission).

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- One chapter of the commission's report is titled "Special Sales and Excise Taxation." This includes tobacco, alcoholic beverages, motor vehicles, and motor fuel. Tom Pogue, a public finance economist from the University of Iowa, is the author.
- The Executive Director of the Commission is a liberal Democrat with ties to national liberal/labor organizations. He was the director of the District of Columbia's Tax Study Commission in 1978. Previously, he worked on the staff of the Advisory Commission on Intergovernmental Relations, the District of Columbia Department of Finance, and the U.S. Department of Housing and Urban Development. A list of the complete membership of the commission is attached.

The Industry's Best Arguments Against Cigarette Excises in Minnesota

- Regressivity: is clearly the best argument to use in Minnesota since the state and its legislature are liberal.
- Bootlegging: Since neighboring Iowa has the same tax rate, a substantial increase could cause minor problems on that border but Wisconsin's rate of 25¢ ensures no problems there. The argument would be modestly useful, especially as related to organized crime.

Background on Potential Coalitions

- Business Coalitions
 - o The business community launched an extensive public relations and advertising campaign (television and

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radio) in support of creating a better business climate in Minnesota. One of the major issues was elimination of the 10% income tax surcharge, which recently passed. The campaign is called "Jobs for Minnesotans."

- o The DFL put the business community in an embarrassing situation by supporting a reduction of the state corporate income tax rate from 12% to 9%. The business groups rejected this approach in favor of a personal income tax cut. As a result, many are questioning the credibility of the business climate arguments since the business leaders voted for their personal finances instead of a policy which would have been useful to businesses. This fight has generated a serious political rift between the major firms headquartered in the state (3M, Honeywell, Sperry, Cargill) who favored the personal income tax cut and the small state businesses who wanted corporate income tax relief. The major firms have formed an association known as the Minnesota Business Partnership.
- o The beverage industry is very active in the legislature. Its chief lobbyist is Dave Locey.
- o The Farmer's Union and the State Farm Bureau are also active in the legislature.
- o The industry has begun to work with convenience stores in this state, most notably the PDQ corporation which is a large regional chain.

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- Labor Unions

- o The state AFL-CIO strongly supports the DFL Party (COPE ratings of 100% are common among key members of the state legislature) and is very sophisticated. Its president is an activist but a free-enterpriser who is influential in national AFL-CIO politics. The secretary-treasurer is very knowledgeable on tax issues and was formerly head of the AFSCME state employees union.
- o AFSCME is the most important AFL-CIO union in the state. It represents the bulk of state employees, as well as city and county workers all over Minnesota. Executive director of the state employee council is a young aggressive liberal activist. The statewide political coordinator is a long-time DFL activist.
- o Minnesota Education Association (a NEA affiliate) is the largest, most influential union in the state. The president is Martha Zins, a close personal friend of Walter Mondale's. Mort Mondale (Walter's brother) is a past president and currently works on the NEA staff in Washington, D.C.
- o The United Auto Workers is politically strong in Minnesota even though its state membership is not large. Its regional director is a labor member of the Tax Study Commission.
- o The Hotel and Restaurant Workers Union is, by far, the most important union that has job-related ties to the tobacco industry. The local president serves

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on the Tax Study Commission and should be the key labor target for the industry.

The following tables give rough indications of the industry's potential for influence on tax issues in Minnesota.

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Minnesota Senate Tax Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR	Johnson Novak Pehler Chmielewski Jude	C. Peterson R. Peterson Vega Frank Petty Davis	Berglin Pogemiller Moe Deiterich Merriam
MODERATE LABOR		Bertram Sieloff Laidig Ulland	
ANTI-LABOR	Berg Belanger Benson	Bernhagen Frederick	

Minnesota House Tax Committee

	PRO-TOBACCO	MODERATE TOBACCO	ANTI-TOBACCO
PRO-LABOR	Tomlinson Jacobs Osthoff Sieben Vanasek	Begich Gustafson Kelly O'Connor Ogren Otis Eken Brandl Scheid Anderson	Minne Skolund
MODERATE LABOR	Brinkman	Blate Marsh	
ANTI-LABOR	Dempsey Redalen Pauly Himle Kvan	Omann Evans McKasy Halberg Schreiber Valento	

(Solid-line box shows the votes the industry can generally count on; dotted-line box show votes the industry has the potential to influence with a labor coalition.)

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- Minority Groups

- o The minority population in the state is very small.
- o The Minneapolis Urban Coalition is the most influential Black group. Like its counterpart in cities throughout the country, it has strong corporate influence on its board of directors. Its president is Steve Belton.

Potential Economic Consultants

- University of Minnesota (St. Paul)

Most of the academic work in public finance is being done on this campus. Three members of the faculty in the Department of Agriculture and Applied Economics serve as consultants to the Minnesota Tax Study Commission. Thomas Stimson, Glen Nelson, and Arley Waldo.

- University of Minnesota (Minneapolis)

Oz Brownlee is a very conservative public finance economist at this school. He is not in the mainstream of Minnesota politics since one of his public positions is opposition to all taxes on business.

Key Minnesota Officials on Tax Issues

Government

- Governor Rudy Perpich
 - o Chief Assistant for Policy: Tom Tripplett
 - o Key Financial Advisor: John Haynes (is very close to the Governor and has a unique working arrangement

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as he shifts between the staff of Congressman Marty Sabo and the Governor)

- House of Representatives
 - o Chairman of House Tax Committee: John Tomlinson (has a 100% COPE rating)
- Senate
 - o Chairman of Senate Tax Committee: Doug Johnson (has a 100% COPE rating)
 - o Chief Staffer: Keith Karlson
- Chairman of Minnesota Tax Study Commission: Mayor George Latimer of St. Paul
- Executive Director of Minnesota Tax Study Commission: Robert Ebel

Outside Government

- President of Minneapolis Urban Coalition: Steve Belton
- Labor officials
 - o President AFL-CIO: Dave Rowe
 - o Secretary-Treasurer of State AFL-CIO: Bernie Brommer
 - o AFSCME Political Director: Rick Scott (former DFL Party Chairman)
 - o Director of AFSCME Council 8 (State Employees): Pete Benner
 - o UAW Regional Director: Bob Killeen
 - o President of Hotel and Restaurant Workers Local 17: Jan Dietrich

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- Business Leaders

- o From Control Data Corporation: Norm Berg, Deputy
Chairman of Minnesota Tax Study Commission
- o From General Mills Corporation: Mark Willes
- o From Oakleaf Associates: Kenneth Dayton (unsuccessful
Democratic Senate candidate in last election, member
of Tax Study Commission)
- o Chief lobbyist for the beverage industry: Dave Locey

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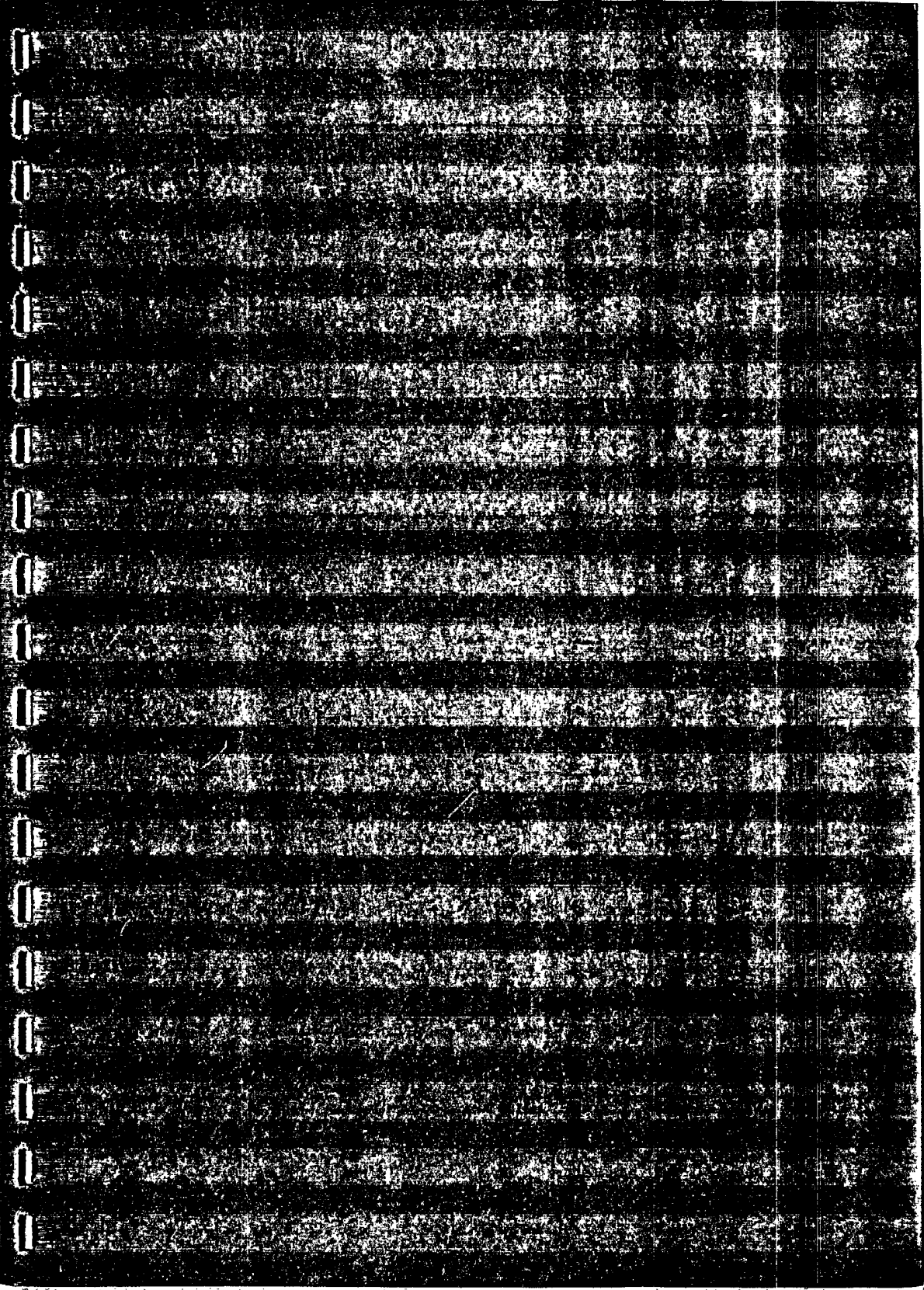
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