

# THE TOBACCO INSTITUTE

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## MEMORANDUM

April

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TO: Mr. John R. Nelson, Jr.  
Mr. Joseph R. Augustus  
Mr. W. Preston Baldwin  
James R. Cherry, Esquire

Mr. John H. Hage  
Mr. Phillip M. Lanz  
Mr. Donald E. Moriarty  
Mr. Roger L. Mozi

FROM: Kurt L. Malmgren *KLM*

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Attached are the minutes of the State Activities Policy Committee meeting of April 1991.

Do not hesitate to call me should you have any questions regarding these materials.

KLM/mln

Attachment

cc: Mr. Samuel D. Chilcote, Jr.  
Mr. Edward D. Kratovil  
Mr. Robert J. Lewis  
David H. Remes, Esquire  
Ms. Susan M. Stuntz

Stanley L. Temko,  
Mr. Spencer Volk  
Ms. Tina A. Walls  
State Activities Staff

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**MINUTES**

**of the**

**STATE ACTIVITIES POLICY COMMITTEE**

**April 19, 1991**

Chairman Nelson called the meeting of the State Activities Policy Committee to order at 9:45 a.m. on April 19, 1991, at The Tobacco Institute offices in Washington, DC

Messrs. Augustus, Cherry, Lanzarotta and Mozingo were the other Committee members present. Also in attendance were Messrs. Foreman and Ogburn, R.J. Reynolds; Mr. Bouse, American Tobacco Company; Ms. Walls, Philip Morris, USA; Rupp, Covington & Burling; Mr. Chilcote, Tobacco Institute President; Mss. Stunt Yoe and Messrs. Donoho, Lewis, Malmgren, McAdam, Minshew and Woodson of Institute staff.

The minutes of the Policy Committee meeting on March 21, 1991, were approved

Mr. Nelson and other members of the Committee complimented Institute staff on publication of The Tax Burden on Tobacco.

Mr. Malmgren told the Committee that Walter Woodson had been named vice president, state activities. Members of the Committee congratulated Mr. Woodson on his promotion.

Mr. Malmgren began the staff report on legislative matters by observing that the following states were scheduled to adjourn by month's end: Indiana, Kansas, Maryland, Montana, North Dakota, Washington.

Mr. Mozingo asked for a review of critical tax states. After providing a status report on several important tax states, Mr. Malmgren focused the tax discussion on North Carolina, Pennsylvania, Minnesota and the District of Columbia. Messrs. Donoho and Minshew discussed legislative plans in those states and responded to questions from members of the Committee.

North Carolina discussions focused on the feasibility of introducing preemption/anti-discrimination legislation at a time when consumer excise tax increases were under legislative consideration. A draft bill was reviewed, and the Committee agreed that the timing and use of such a measure would be left to industry experts in North Carolina.

Mr. Malmgren provided a status report on other proactive and privacy/anti-discrimination legislation around the country.

Mr. Rupp reported the Court of Appeals granted a stay in the Rancho Mirage, California, vending machine ban case and that a final decision was not expected before the end of the year.

Mr. Malmgren reported on a sales restriction ordinance in East Lansing, Michigan and reminded the Committee members of the need for their sales forces to continue to support chain stores to support the industry's "It's the Law" program.

Mr. McAdam discussed two nonbinding ballot questions regarding smoking restrictions in Arlington, Texas. Members of the Committee asked for further information before mounting any campaign. A final strategy for dealing with the ballot questions was to be determined within the week.

Messrs. Malmgren and McAdam led a discussion about the use of "It's the Law" billboards in California and other locations around the country. Staff was asked to develop billboard copy. Member companies were to provide billboard placement guidance after consulting with outdoor advertising officials.

Mr. Malmgren discussed anti-tobacco legislation at the state level in California and asked for comments from Committee members on various legislative recommendations for the state.

Mr. McAdam reported on local legislative and ballot-related developments in California focusing on Walnut Creek and Long Beach. Mr. McAdam also discussed proactive plans for California localities.

Ms. Stuntz and Mr. Rupp discussed recent environmental tobacco smoke developments at the Environmental Protection Agency.

Ms. Stuntz also discussed a new report by Citizens for Tax Justice on the tax structures in the 50 states.

Mr. Lewis reviewed federal issues of interest to the Committee, including a recent hearing by Rep. Henry Waxman.

Mr. Nelson noted that the next meeting of the Policy Committee would take place Tuesday, May 21, 1991, at 10:30 a.m., at The Institute in Washington, DC.

The meeting was adjourned at 1:00 p.m.