



Phil Giarrizzo Campaign Consulting

June 12, 1991

To: Ms. Susan Stuntz and Mr. James Savarese
From: Phil Giarrizzo
Subject: California LMC

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This report and invoice covers the period from May 1 through June 1, 1991, but includes a report on activities through today. In an earlier memo, I outlined the "quick-kick California" meetings that were held May 6-8 in Sacramento.

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TAX FAIRNESS

The budget gap is now estimated to be \$14.3 billion, give or take a few dollars. May marked the fifth month in a row that the state's three major sources of revenue -sales, income, and business taxes-have all been down. With the June 15 budget deadline fast approaching, the Governor and legislative leaders continue to meet in an attempt to fashion a budget that can pass both the Senate and the Assembly.

Lenny Goldberg, of the CTRA, was very appreciative of the funding grant. Dean Tipps and Steve Smith each called to acknowledge the contribution, and offer their assistance as we move ahead on the LMC's California program. They will both be helping recruit for the IAQ Sacramento luncheon.

The May 21 rally, organized by labor and CTRA, brought together over 1,000 people at the State Capitol. The energy level was very good and we were all pleased with the turnout. Coverage around the state was generally very positive.

Sacramento IAQ

I held a lengthy meeting on May 10 with Art Carter and Joe Pasqualini, his principal lobbyist. Mr. Carter, who was the director of CAL-OSHA under former Governor Jerry Brown, had many questions regarding the LMC after our initial meeting with him. I brought over the IAQ packet and reviewed the material with them at great length. Overall, the conversation was very positive. I will continue to cultivate Mr. Carter's support for the LMC program.

I followed-up with John Capogreco, President of the Sacramento Central Labor Council in addition to his sheet metal local, on the proposed Sacramento IAQ luncheon. It was decided that I would talk to Wayne Harbolt, Executive Secretary-Treasurer of the Sacramento Central Labor Council, regarding the LMC program, both generally and specifically.

Based on our conversations, Mr. Harbolt agreed to sign a letter inviting labor council affiliates to attend a luncheon which is now set for June 28, 1991. In addition to Mr. Harbolt and Mr. Capogreco, Mr. Bill Meehan of the Building and Construction Trades Council agreed to sign the attached letter, which was drafted by Jarnie Moeller.

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Sacramento IAQ Continued

Since my recommendation was approved, I have arranged for Art Carter and Associates, lobbying firm for the Sheet Metal Union, Building Trades, etc. to assist with the logistics and follow-up calls for the luncheon. Mr. Carter will submit an invoice for payment after the event.

The presentation and discussion will be led by Tom Donahue, Jr., and Frank Powell. I will continue to coordinate the program and agenda with Jamie Moeller. Mr. Harbolt estimates the luncheon will draw approximately 20 representatives from various unions.

Contra Costa County Ordinance

Based on a request at the "quick-kick" meeting with the TI staff in Sacramento, I initiated contact with Margaret Butz-Shelleda, President of the Contra Costa County Central Labor Council, to discuss the ordinance pending before the Contra Costa County Board of Supervisors. After a lengthy discussion of the LMC generally, as well as the Contra Costa ordinance, Ms. Butz-Shelleda agreed to review the matter with other Council officers and call me again.

While waiting for her return call, I contacted the Tobacco Institute in Sacramento to provide an update. I was advised that, as part of their overall consulting responsibilities, Fred Karger and others from the Dolphin Group had already made contact with Steve Roberti, who is the Executive Secretary-Treasurer of the Contra Costa Central Labor Council. I stated that I would hold off on any further contact or action with unions until I had a chance to talk with Mr. Karger regarding his labor strategy. Since approximately May 14, Mr. Karger and I have been in regular contact.

In addition to Ms. Butz-Shelleda, I contacted a friend who is an officer of that labor council, and then I talked to Mr. Roberti directly. At this point, labor in that area cannot be considered an ally. Since the LMC has just begun operating in California, we need to establish a balance between immediate needs and long-term impact. Most of the California affiliates of the LMC unions are not really even aware of the program yet. Stating that this program is endorsed by their respective national unions only goes so far in swaying local union leaders in California. Locals and labor councils, in various parts of the state, have been known to savage a program merely because it comes from the "Labor Bureaucrats of the Beltway" or is a part of the "East Coast Conspiracy" to dominate California labor. If the LMC leaves Contra Costa County with the reputation of being the "labor lobbying arm of the tobacco industry" the work ahead will be twice as hard. California unions are strange beasts, and they are usually run by people who are even stranger than the average Californian.

In the Contra Costa situation, it may have been better to approach several key unions individually prior to getting the labor council involved. Mr. Roberti is a rabid anti-smoker who was the head of an electricians local prior to taking over the Council. While heading his local, Steve personally led a movement that ultimately banned smoking at union meetings. There are currently no smokers among the members of the Council's Executive Board.

Mr. Roberti personally supports the ban, but is sensitive to the arguments and interests of the Sheet Metal Workers and some public worker unions who argue that changing conditions in the workplace must be done through collective bargaining rather than legislation.

Contra Costa County Continued

Mr. Roberti has been sent the IAQ video and information packet and is currently reviewing the material. He is also considering my request to have a luncheon/dinner/meeting in Contra Costa during the week that we are doing the Sacramento program.

I attended a two hour meeting on June 7, at the TI in Sacramento, regarding the Contra Costa situation. David Hooper was to let me know if I should attend the public hearing on June 18. In a call from Fred Karger today, he advised me that he just found out that the hearing may not go forward since the chair, who is the most sympathetic towards us, will be on a trip to Canada.

- I have enclosed various newspaper articles relative to the subjects contained in this report.