

October 14, 1993

MEMORANDUM

TO: Bob Lewis  
Bob McAdam

FROM: Susan Stuntz *sm*

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Following is a report from John Jarvis on the meeting that Frank Hurt (BC&T President), Carolyn Jacobson (BC&T PAC Director) and John Jarvis had this afternoon at the White House with Joe Velasquez:

According to Jarvis, no new ground was broken, but a strong message was delivered. Hurt spent about 50 minutes on the damage to his union, and to the southern economy, from a big excise tax increase.

Velasquez said it would probably be a "couple of weeks" before a health care plan goes to the Hill. He said he thought the tobacco tax would be "higher than 50 cents," but acknowledged that the White House had heard from many more constituency groups than they had expected on this issue, including members of the Congressional Black Caucus. He also admitted that they had not expected the strong opposition from the Machinists union that they had received.

cc: Sam Chilcote  
Cal George  
Walter Woodson

T117741185

October 14, 1993

MEMORANDUM

TO: Kurt Malmgren  
Pat Donoho  
Ron Morris

FROM: Susan Stuntz *sm*

Attached for your information is a primer published earlier this year by Citizens for Tax Justice as a guide for its local activists network to fair tax policy in the states and localities.

The operative section on excise taxes begins on page 20, although the entire document is designed to help progressive tax organizations work toward a fairer (less regressive) tax system.

Attachment

cc: Sam Chilcote

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October 15, 1993

**MEMORANDUM**

TO: Bob Lewis  
Bob McAdam

FROM: Susan Stuntz *SMY*

RE: BC&T Meeting at the White House

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BC&T President Frank Hurt, PAC director Carolyn Jacobson, and John Jarvis are having lunch today at the White House with Joe Velasquez, who is political director Joan Baggett's deputy (he may be acting director by now, with Baggett scheduled for maternity leave very soon if not already). The subject is cigarette excise taxes.

I'll let you know once I receive a report.

cc: Sam Chilcote  
Walter Woodson  
Cal George

T117741187

October 14, 1993

MEMORANDUM

TO: Calvin George  
FROM: Susan Stuntz  
RE: Michigan *ms*

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I understand that there have been a significant number of memoranda and newspaper clippings forwarded to your attention from the Strategy Group, Doug Weiland, and possibly Harry Kaiser regarding the tax situation in Michigan.

The only information that I have seen with regard to Michigan -- other than a clip on a CTJ report -- is your memo announcing hearings. I am less interested in being kept apprised on a schedule of hearings than I am on what is being done by groups such as CTJ, the AFL, APRI, etc.

Today, for example, I learned that Frank Garrison of the State Fed is doing ed board briefings and media activity on the CTJ report; that Doug Kelly is testifying tomorrow (and that there had been some changes in the legislature's proposal, which prompted the urgent call from Donoho so Kelly could be notified); and that we're being pushed to encourage APRI to join with TI folks at an ed board being set up by a right wing media firm that can't happen but that apparently hasn't been explained to Donoho (it has now).

Since I did not know any of those things this morning, I was quite unprepared at noon when Pat Donoho called me to suggest that there may be problems with the efforts in Michigan. You were at lunch. Weiland was out of town (which shouldn't have been a problem, he tells me, since he has sent you detailed memoranda on his activities -- memoranda that have not been shared with me); Kaiser was doing his own job in Ohio.

I devoted three hours to Michigan today -- including a call to Ray Scannell because of a concern that Donoho raised that ultimately proved to be untrue but that was serious enough to warrant me calling him directly. Leslie Dawson and John Jarvis were pulled in and spent a substantial part of the afternoon clarifying things for me. Pete Giangreco was pulled in. Harry Kaiser called me from a phone booth on the road -- twice. And ultimately I had to call PM in New York to calm troubled waters. Tomorrow I will call Ray again.

TI17741188

There are two choices here:

1. Insist that I be copied on all information and material that is sent to you. Since these are Labor Management Committee matters, and since I am the TI principal on the LMC, I need to be kept informed -- immediately -- on these activities. Clearly that is not happening now.
2. Since, apparently, you would prefer that I not be copied, it is incumbent upon you to keep me informed at all times of the activity in Michigan. You can forward the Weiland/Strategy Groups memos directly to me after you have read them, or you can condense them and write your own memo. Your choice.

At the end of the day today, Dawson, Jarvis, the Strategy Group and Kaiser all offered to send me their copies of the memoranda and material that have been forwarded to you that I quite obviously had not seen. I told them I would obtain them from you. Please get them to me as soon as possible and then let me know how you want to handle communications with the LMC consultants in the future.

October 14, 1993

**MEMORANDUM**

TO: Bob Lewis  
Bob McAdam

FROM: Susan Stuntz *SMF*

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Attached are two more resolutions opposing cigarette taxes to fund national health care reform:

- . The Space Coast Central Labor Council represents workers in all of the unions employed in and around Cape Canaveral.
- . The Bakers Local Union #57 represents 1250 members throughout central and south central Ohio and is BC&T President Frank Hurt's old local.

Copies of each have been sent to the appropriate Members of Congress.

Attachments

cc: Cal George  
Walter Woodson

TI17741190



# SPACE COAST AFL-CIO LABOR COUNCIL

Representing Brevard, Volusia & Flagler Counties

Marilyn P. Lenard  
President

Charles Klinker  
Vice President

Harold Parten  
Treasurer

Nettie Brown  
Secretary

Rosemary Elrod  
Trustee

Chris Hunt  
Trustee

Bill Miller  
Trustee

Don Morgan  
Trustee

Robert Smith  
Trustee

## Resolution Opposing Tobacco Taxes For Health Care Reform Space Coast AFL-CIO Central Labor Council

Whereas: According to a comprehensive study of compensation and employment in the tobacco industry prepared by the Price-Waterhouse accounting firm, a two dollar a pack increase in the Federal cigarette tax will mean the loss of 31, 273 thousand jobs and more than \$805,909,038 in payroll in the State of Florida; and

Whereas: The Executive Council of the AFL-CIO has long been on record in opposition to raising excise taxes on cigarette as regressive and unfair and in support of progressive financing for health care reform; and

Whereas: Excise taxes, particularly excise on tobacco, are among the most unfair taxes paid by Americans. According to the tax policy organization, Citizens For Tax Justice, doubling the 24 cent per pack federal tax on cigarettes would take a 72 times greater share of a family of four's income in the lowest 20% than it would a family in the richest one percent; and

Whereas: Excise taxes are an unstable and unreliable source of revenue for health care reform.

Therefore be it resolved that:

The Space Coast AFL-CIO Central Labor Council will oppose efforts to increase the Federal cigarette tax for health care reform.

Be it further resolved that:

The Space Coast AFL-CIO Central Labor Council will work with the National AFL-CIO to build support for a national health care program that is financed in a fair and equitable manner based on ability to pay.

Passed September 19, 1994

# Bakers Local Union No. 57

221-5541

555 EAST RICH STREET  
COLUMBUS, OHIO 43215-5395

BAKERY, CONFECTIONERY & TOBACCO WORKERS  
INTERNATIONAL UNION OF AMERICA  
AFL-CIO



## Financing of Health Care Reform

Whereas: The development of health care reform policy within the Clinton Administration includes proposals which would finance the health care reform package through a dramatic increase in the federal cigarette excise tax reportedly ranging between \$1 and \$2 per pack; and

Whereas: Such a dramatic increase in the amount of the federal cigarette excise tax would result in the loss of thousands of highly skilled, high-wage jobs in the cigarette manufacturing industry directly, and other thousands of other jobs lost in related secondary employment; and

Whereas: The overwhelming majority of tobacco workers are dues-paying union members represented by affiliated unions of the AFL-CIO; and

Whereas: Consumer excise taxes on items such as tobacco, gasoline and alcoholic beverages are regressive taxes, placing a disproportionate burden on working men and women and their families; and

Whereas: The national AFL-CIO opposes increases in the level of regressive consumer excise taxes on cigarettes and other products; and

Whereas: Consumer excise taxes represent an unstable and declining source of revenue, while at the same time health care costs and demand for services continue to escalate; therefore, be it

Resolved: That the B.C.T. Local 57 opposes all efforts to increase the federal cigarette excise tax as a means of financing health care reform; and, be it further

Resolved: That the B.C.T. Local 57 supports broad-based, progressive financing of health care reform; and, be it further

Resolved: That the B.C.T. Local 57 will continue to work with the national AFL-CIO to promote fairly financed basic health insurance protection for all Americans.

Adopted October 2, 1993, Columbus, Ohio

LOOK FOR THIS LABEL ON



BAKERY & CONFECTIONERY PRODUCTS

TI17741192