

**CALIFORNIA**

**A Multifaceted Plan**

**To Address the Negative Environment**

**Prepared by**

**The Tobacco Institute  
State Activities Division  
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RECOMMENDATIONS

The environment for the sale and use of tobacco products in California continues to deteriorate. And because California serves as a bellwether state, tobacco-related steps taken there often find their way into other states. The industry's ability to conduct business in the state -- and smokers' ability to consume tobacco products -- is at risk.

It is likely that even more serious efforts will soon be forthcoming to restrict, or nearly eliminate, the sale of tobacco products in the state. Additional state tobacco tax increases via the initiative process, and more and tougher local smoking restrictions and bans are likely.

Our objective is to maintain a reasonable environment for the industry to conduct business and to allow smokers to use tobacco products in as many public settings as possible.

Achieving this objective will require complete industry cooperation through a complex, multifaceted program to address the entire tobacco environment in California.

The situation that exists in California today did not develop overnight. While plans can and must be put in place to address local smoking ban proposals, the dedication of Prop 99 monies and the possibility of preempting local activities, the challenge is sufficiently serious and complex to warrant several concurrent short term, interim and long term strategies.

## BACKGROUND

Even though California continues to be the most active and important anti-tobacco state in the country, the industry's state legislative successes over the past decade are impressive. That success has come at a price: significant and growing anti-tobacco attacks at the local level and through the initiative process.

With the passage of Proposition 99 -- the \$500 million annual tobacco tax increase measure adopted in November 1988 -- the industry faces statewide funding of local anti-tobacco activity, including local measures to ban smoking in workplaces, restaurants and most other public places.

Ten years ago, the assumption was that most lawmakers and members of the public who thought about the issue viewed smoking as an occasional nuisance. Today, it seems that many view tobacco smoke as dangerous to the health of nonsmokers. Several important events help explain how we reached the point where smoking bans are gaining public acceptance.

- \* Voter passage (50.4-49.6%) in 1983 of a tough San Francisco workplace smoking restriction added credence to those advocating the segregation of smokers in public places.
- \* Environmental tobacco smoke reports in 1986 from the Surgeon General and National Academy of Sciences provided support to anti-tobacco efforts to tighten existing smoking restrictions in key public places.

- \* The 1987 ban on smoking in restaurants in Beverly Hills. Although generating some negative press for its supporters, it lent additional credibility to those favoring elimination of smoking in public places.
- \* Press leaks and other discussions in 1990 on the Environmental Protection Agency draft report on ETS emboldened anti-smoking activists. The leaked EPA conclusions helped prompt the California Restaurant Association to endorse publicly a statewide smoking ban.
- \* These events made it more palatable for employers to ban or severely restrict smoking on their own, without benefit of legislation.

In 1990 smoking ban ordinances passed in San Luis Obispo, Lodi and Sacramento County and City. Other localities are considering stringent measures: Bellflower, Culver City, El Dorado County and Grass Valley. Many more of the state's 604 local government units are expected to move along similar lines.

## **SHORT-TERM / LOCAL STRATEGY I:**

Assemble a legislative team to monitor and defeat local smoking restriction ordinances in California. Work for passage of reasonable smoking restriction laws. Assign Ron Saldana, TI's regional director, management responsibility for this team.

### **GOALS AND TACTICS**

- A. Develop a program to manage all local activities, including local legislative monitoring, defensive and proactive lobbying, grassroots efforts, expansion and development of Restaurants for a Sensible Voluntary Policy (RSVP) and other coalitions and allies, media opportunities and expert witness deployment. Seek advice and assistance as appropriate from State Activities headquarters staff and Public Affairs Division Staff.
1. Saldana's team will consist of two full-time consultants. The first will have expertise in public relations, media and coalition building, to handle direct legislative negotiations in assigned local locations.
  2. With responsibilities essentially similar to those of the public relations consultant, a second consultant will focus attention in the area of grassroots activities for local situations. The grassroots consultant also will oversee activities in smaller jurisdictions with limited media markets.

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- B. Prepare an inventory of potential legislative and business allies in the approximately 200 key local jurisdictions in which 75% of the population resides. From this inventory, develop a data bank of information on these municipalities in advance of local defensive and proactive legislative activity, i.e., number of convenience stores, key restaurateurs and other business leaders, likely lawmaker friends and foes, other civic leaders.
- C. Retain a local government monitoring service to improve the industry's ability to gain early warning of pending legislative battles. Review local developments with the team on a daily basis.
- D. Broaden and expand existing RSVP coalition beyond its current restaurant base in Southern California to include a wider association of business entities throughout the entire state. Day-to-day RSVP activity will be under the direction of Rudy Cole.
- E. Seek to introduce acceptable smoking restriction legislation defensively and proactively in appropriate communities, through business and other groups, including, RSVP or other local coalitions, local smokers' rights activists, minority leaders or other third party groups or individuals from the restaurant or business communities. Encourage aggressive media promotion of coalition activities.
- F. If an adverse smoking ban proposal passes, determine the feasibility of a petition drive to overturn the ordinance. The Policy Committee will vote on industry involvement before petition drive steps are taken.

## **SHORT-TERM / LOCAL STRATEGY II:**

Focus greater attention on the need for improved ventilation systems or more efficient use of existing systems. Place ETS in context of indoor air quality.

### **GOALS AND TACTICS**

- A. Encourage business and labor groups to illustrate to the public and local lawmakers that poor ventilation and other indoor air pollutants -- not ETS -- are the causes of most serious indoor air quality complaints.
- B. Seek opportunities to make presentations before press leaders, local business, labor and other audiences to illustrate the broad scope of indoor air quality concerns.
- C. Offer to inspect key buildings in select localities to demonstrate scientifically the true nature of IAQ concerns. Take the results of those studies to appropriate lawmakers and the media.
- D. Encourage introduction of proper indoor air quality bills.

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**INTERIM STRATEGY I:**

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own survey  
research

Develop a multi-step approach to determine what, if anything, the industry can do to change the current environment in California.

**GOALS AND TACTICS**

- A. To gain a complete understanding of existing and potential tobacco - related challenges and concerns throughout the state, a thorough investigation of all possible avenues of concern and approaches must be undertaken.
  
- B. This process must include design of the research project, implementation of the project, an analysis of the results, and recommendation's for new and/or expanded approaches to the overall anti-tobacco situation.
  - 1. Consider a broad range of approaches to a multitude of potential constituent target groups, i.e., blacks, Hispanics, labor, libertarians, gay rights and women groups and others. This will require substantial research and individual interviews.
  
  - 2. Even before this work commences, a determination must be made of how the study should proceed and what are the pertinent questions to put to the various constituencies. This will not be a rehash of the scope of the problem, but a determination of the scope of the solution by setting parameters for the investigation.

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- B. Once the initial scope of the project is determined and the plan for the project is established, appropriate experts -- including member-company personnel -- will be brought together to construct and design the project.
1. Once potentially useful research projects and investigations are identified they must be coordinated with various consultants and others.
  2. Our recommendations may well lead to new strategies and approaches to existing and potential concerns.
- C. Depending upon the nature and scope of the plan as defined by our investigations and recommendations, implement elements of it to assist with local short-term and state long-term goals.

## INTERIM [LONG TERM] STRATEGY II:

Identify and retain Labor Management Committee counsel to begin process of building in California a liberal/labor coalition base to (1) aggressively attack consumer excise taxes and (2) mount an indoor air quality educational campaign to liberal/labor, media and legislative audiences.

### GOALS AND TACTICS

- A. By July 1, 1991, identify and retain local counsel to represent the Tobacco Industry LMC in California.
- B. Identify opportunities to brief organized labor leaders at the state and local levels on the true scope of indoor air quality. Encourage passage of appropriate resolutions and other actions that address concerns such as poor ventilation.
- C. Seek opportunities to support IAQ conferences, building studies and other activities of interest to unions in California.
- D. Seek opportunities to brief union and other liberal audiences on the regressive nature of consumer excise taxes, including those on tobacco, and on progressive tax alternatives.
- E. Encourage adoption of state and local union resolutions of support for progressive tax alternatives and opposition to consumer excise taxes.

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**LONG-TERM STRATEGY I:**

Adopt a reasonable statewide smoking law, with preemption.

**GOALS AND TACTICS**

- A. Through the passage of an industry model restriction measure in one or more localities, encourage state lawmakers to adopt a reasonable, uniform state law on the subject of public smoking.
- B. Encourage state business leaders and associations to assist in pushing for a uniform law.
- C. Encourage liberal/labor support for a uniform state law that recognizes the true nature of IAQ concerns.
- D. Aggressively promote positive press coverage of this approach.

## LONG-TERM STRATEGY II:

Redirect Proposition 99 funding away from direct anti-tobacco lobbying and other activities.

### GOALS AND TACTICS

- A. During the 1992 Budget process, attempt to redirect specific expenditures by assigning individual industry lobbyists or staff the task of moving allocated funds to alternate categories.
- B. Analyze specific fund allocations to determine constituencies that may be developed to exert public pressure for reallocation. Initial investigations of specific fund expenditures have revealed proposals that run counter to the spirit and intent of the initiative as passed. The public exposure of these transgressions should yield an environment in which legislative change is possible.
- C. Aggressively promote the existence of these expenditures to the press and to specific groups to whom the expenditures appear unreasonable.
- D. Encourage allies and other interest groups to request Prop 99 funds for other worthwhile projects. Encourage allies to apply for Prop 99 grants and/or encourage creation of groups with legitimate claims on Prop 99 funding.

- E. Promote to media, legislative and other specific publics which important programs are underfunded, i.e., AIDS research and care. Encourage Prop 99 monies to be channeled to such programs and projects.

### **LONG-TERM STRATEGY III:**

Reduce or eliminate Proposition 99 funding.

#### **GOALS AND TACTICS**

- A. Through the initiative process, redirect or eliminate the Prop 99 funding. Encourage interest groups to take the lead on an initiative to redirect the Prop 99 dedication.
- B. Encourage the governor's endorsement of the elimination of Prop 99 funds. Also because of the massive state deficit, the governor appears interested in eliminating the dedication of the Prop 98 funds directed toward education. That measure requires a dedication of 40% of state funds to education. For the governor to succeed he must use the initiative process to redirect these funds to the general fund.

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SUMMARY AND BUDGET

- o The Institute's plan is thorough and ambitious and will, necessarily, require the expenditure of substantial resources. The challenges we face in California, however, make adoption of the plan essential.
- o The following represents a realistic look at the budget required to undertake a successful campaign effort. Project funding will come from existing 1991 Institute budget allocations.

<u>Description</u>	<u>1991 Budget</u>
Early warning monitoring firm to identify local smoking restrictions and bans-----	\$ 20,000
Campaign media/pr consultant's fee-----	60,000
Campaign media/pr consultant's travel and other expenses-----	15,000
Grassroots consultant's fee-----	50,000
Grassroots consultant's travel and other expenses-----	15,000
Attitudinal Survey work-----	20,000
Maintaining and expanding RSVP into a statewide and possible multi-organizational group for leadership on local issues. This budget includes consultant fees, travel, office expenses and all other costs associated with expanding the operation-----	240,000
LMC/liberal coalition activities-----	100,000
TOTAL local team management budget-----	<u>520,000</u>

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