

CONFIDENTIAL:
MINNESOTA TOBACCO LITIGATION

Janet

February 23, 1989

STATE HEADLINES

→ Utah legislature passed increased vending machine restrictions this week...Senate passed H53 on 2/21...state already requires machines to be located in places inaccessible to minors... bill further limits where cigarette machines may be located...bans smoking in public schools during instructional hours. Governor Bangerter is expected to sign H53 and H51, prohibiting sampling of tobacco products except to adults at conventions and in retail stores after a tobacco purchase is made.

→ Idaho death certificate legislation was rejected 2/22...Senate Health & Welfare Cmte voted unanimously to hold S1020 in cmte...bill would have required physicians to indicate "contribution" of tobacco use. Similar bill was heard 2/21 in Maryland House Environmental Matters Cmte...no vote taken.

→ Cook County, IL, gave final passage to budget including 2-cent local cigarette tax increase 2/21...increase from 8 to 10 cents per pack takes effect 3/1.

TAXES

→ Virginia Senate Finance Cmte defeated proposal to raise cigarette tax by 6 cents for highway improvements 2/16...tax offered as amendment to unrelated bill.

→ New Mexico Senate amended 10-cent cigarette tax hike (to 25 cents) into unrelated bill... passed S676 on 2/21. Last week, House Business & Industry Cmte reported 10-cent cigarette tax measure to floor...H529 was quickly returned to Cmte, however.

→ Missouri Senate Ways & Means Cmte lowered cigarette tax hike in S216 from 7 to 5 cents... reported bill to Senate floor 2/22.

→ New Jersey Assembly Health Cmte tabled A1252 after hearing 2/16...bill would boost cigarette tax by a nickel...impose 6 percent surtax on OTP... earmark revenues to cancer research. Witnessess pointed out that state constitution prohibits dedicated revenues.

→ South Dakota Senate Tax Cmte amended 25-percent tax on tobacco products other than cigarettes into House-passed liquor sales legislation 2/21...H1353 awaits Senate floor vote.

→ Arizona House Human Resources Cmte will hear 10-cent cigarette tax measure on 2/28... revenue from H2291 would go to county health services. Senate Finance Cmte OK'd penny-per-paper tax 2/21...sent S1224 to floor.

→ Oregon House Revenue Cmte held hearing 2/20 on 3-cent cigarette tax hike...referred H2339 to subcmte. Montana Senate Finance Cmte holds hearing 3/3 on 5-cent cigarette tax bill...revenues from S445 wuld fund obstetrical care reimbursement.

→ Louisiana special session opened 2/22...6-cent cigarette tax hike is included in Governor Roemer's revenue bill (H2)...revenues from 2 cents would be earmarked to cancer research. H2 would also impose 10-percent excise on smokeless (currently untaxed) and change various cigar and pipe tobacco rates to 10-percent.

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- . New Arkansas bill (S437) would raise cigarette tax by total of 4 cents per pack...of that, 2 cents would be a county tax...to be collected by county stamps and allocated among cities within county based on population...bill is in Senate Revenue Cmte.
- . Ohio House Ways & Means Cmte heard testimony 2/21 on 10-cent cigarette tax increase in Governor's tax bill...will consider alcohol tax increases in H111 at 2/28 hearing. Vermont H378 and companion S119 would raise cigarette excise by 20 cents per pack...use funds to pay for universal health care program...both had initial cmte hearings this week.
- . Variety of California bills to spend Proposition 99 revenues introduced last week...include A624, to use tobacco tax revenues for wildlife protection and parks...A687, for medical research...A698, hospital and physician services...S377, fire safety education.
- . Hawaii bill to transfer tobacco tax collection authority to local governments (H1858) was reported from House Intergovernmental Affairs Cmte to House Finance last week. Companion bill (S1901) was held in Senate Governmental Operations Cmte after hearing 2/14.
- . Rhode Island H6199 would impose 40-percent tax on smokeless tobacco products...funds would go for anti-tobacco programs.

"FIRE-SAFE" CIGARETTE

Minnesota S641 was introduced this week to appropriate \$100,000 for Commissioner of Public Safety to develop "fire safety standards" for cigarettes and little cigars by 1/1/91... unlike defeated S8 and its companion H178, new bill does not mandate when cigarettes must meet such standards.

SMOKING RESTRICTIONS

- . Virginia Senate considers House amendments to S601 today...as passed by House, bill would give employers sole authority to regulate smoking in places of business during period of 7/1/89 until 7/1/90...would preempt local ordinances during that period.
- . Montana Senate Public Health Cmte reported S426 to floor...would allow proprietors to totally ban smoking in workplaces, public places...current law requires designation of smoking and nonsmoking areas posting facility as all smoking-permitted.
- . Georgia House Human Relations Cmte heard H707, smoking restrictions in publicly-owned buildings, on 2/20...referred bill to study for one year. Joint hearing by South Carolina Senate and House Medical Affairs Cmte to review S138 and H3303 on 3/1. Maryland House Environmental Matters Cmte looks at restriction bills (H164, H471, H917) on 3/2.
- . Iowa H209 would restrict smoking in restaurants...exempted from 1987 "clean indoor air" law...would increase penalty for violations. Ohio H229 would restrict smoking in workplaces, places open to public.
- . Hawaii SR4 and SCR2 would establish study commission on environmental issues, including indoor air pollution.

SAMPLING/ADVERTISING/SALES RESTRICTIONS

- . Nebraska unicameral legislature passed second reading of smokeless sampling ban 2/21...L48 awaits final consideration. Minnesota House Commerce Cmte held hearing 2/21 on H223, to prohibit sale of tobacco products in multi-product machines...Cmte discussed, but rejected proposal to change bill to total ban on cigarette sales through vending machines. Cmte reported H223 to House Consent Calendar...no floor amendments allowed.

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- . Washington House Health Care Cmte may vote today on sampling ban (H1944) and bill to regulate cigarette vending machines (H1941)...hearing was held 2/20. Kansas House Public Health Cmte votes today on sampling ban (H2317). Hawaii Senate Health Cmte is considering bill to ban all forms of tobacco advertising, unless preempted by federal law...S588 includes sampling as form of advertising.
- . Connecticut Joint Public Health Cmte considers H6046, to require "warnings" on cigars, pipe tobacco and chewing tobacco, at hearing today. Massachusetts Joint Commerce & Labor Cmte holds hearing 2/27 on sampling ban bills (S51, H2573)...sampling code (S99)...outdoor advertising bans (S64, H919). H3869 would double license fee for cigarette vending machines ...use funds for smoking cessation and prevention programs...assistance to businesses for restricting or banning smoking in workplaces.
- . South Dakota bill (H1188) to set 18 as minimum age for sale of cigarettes was approved by Governor Mickelson last week...current minimum age law applied only to smokeless products. Wyoming House rejected bill to establish minimum sales age of 18 in floor vote 2/17.

EMPLOYMENT DISCRIMINATION

- . Virginia S607 awaits final action today...Senate considers House amendments to bill prohibiting local governments from using smoking or nonsmoking as term of employment...excludes police and firefighters. House passed bill with small changes 2/21.
- . Maryland House Environmental Matters Cmte holds public hearing 3/2 on H1239, to prohibit employment discrimination based on smoking or nonsmoking. Missouri S440 is similar.
- . Kansas H2404 was introduced last week by House Pensions Cmte...would disallow certain disability benefits for police or firefighters who have diseases "caused, in whole or in part, by the member's use of tobacco or tobacco products or alcohol or illegal use of any drug or drugs." Hearing likely week of 2/27.

THE LOCAL LOOK

- . Southland. Broad restriction measure was introduced last week in Huntsville, AL...City Council holds public hearing and vote today. Chapel Hill, NC, city government employee cmte has drafted proposed smoking policy for offices, public buildings. Dyersburg, TN, held public meeting 2/13 on smoking ban for public facilities...Board of Aldermen meets 3/6. Lafayette, LA, looking at possible public smoking ordinance.
- . Midwest  Coalition Against Billboard Advertising is urging ban on outdoor advertising for alcohol and tobacco products in Detroit, MI...may be introduced in City Council 2/24. Richmond, MO, City Council has agreed to place local cigarette tax increase on 4/4 referendum ballot...would raise town's tax rate from 4 to 10 cents per pack.
- . Coming Up Next Week. Los Angeles, CA, Public Health Cmte takes up proposed ordinance to ban smoking in places where public business is conducted. Westchester County, NY, legislature holds public hearing on broad smoking restriction measure.

STATE SIDEBARS

- . Ins and Outs. Utah is first state to adjourn 1989 session...lawmakers went home 2/22. Next to close is Virginia, 2/25...then Wyoming, 3/4. Louisiana special fiscal session convened 2/22...must adjourn by 3/8.
- . With this edition of StateLine, three Special Reports: toxics legislation...packaging taxes and restrictions...legislative challenges facing the industry in 1989.

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