

October 26, 1993

MEMORANDUM

TO: Michele Radell
FROM: Walter Woodson
SUBJECT: Tobacco Industry Labor Management Committee

The following disbursements of Tobacco Industry Labor Management Committee funds should be made on or about the first day of November.

Citizens for Tax Justice	\$ 9,000
The Economic Policy Institute	5,000
Coalition on Human Needs	4,000
California Tax Reform Association	4,000
Congress of California Seniors	3,000
Iowa Citizen Action Network	3,000
Florida State Council of Senior Citizens Education & Research Fund	2,500
Progressive Populist Education Fund	2,500
Labor Council for Latin American Advancement	2,000
New Jersey Citizen Action	2,000
Senior Citizen Education and Research Association of New York	2,000
National Consumers League	2,000
Minnesota Citizens for Tax Justice	2,000
The Montana Alliance for Progressive Policy	1,500
Pennsylvania Institute on Public Policy	1,500
Total	\$ 46,000

Please let me know if you have any questions.

WNW:uas

TI17741173

October 20, 1993

MEMORANDUM

TO: Bob Lewis
Bob McAdam

FROM: Susan Stuntz *smf*

The attached editorial on the Clinton health care reform plan -- and financing through tobacco taxes -- appeared in the fall edition of the American Family Farm Foundation newsletter, that is distributed to some 200 farm activists, mostly in the midwest.

Attachment

cc: Cal George
Walter Woodson

An Editorial Viewpoint of the National Health Care Plan

I applaud President Clinton and the First Lady on their introduction of a national health care solution to our national health care crisis. Once again this new administration has shown it is ready and willing to tackle the tough issues whether they be popular or, in most cases, unpopular.

Farmers, ranchers and rural Americans need health care reform as much as any other sector of our society. When competing in the global agricultural marketplace, we find ourselves on an unlevelled playing field when it comes to health care. When U.S. wheat farmers were pitted against the Canadian wheat farmers as a result of the Canadian Free Trade Agreement (grandfather to NAFTA), they were immediately put at an unfair advantage. U.S. farmers average \$4,000 per year in health insurance and another \$2,500 in workers compensation. The Canadian producers just across the 48th parallel have no such costs, giving them a \$6,500 per year advantage. If we are to compete, we need the weapons to do so.

One constructive suggestion I would submit to the President is to reexamine the funding mechanism for the health care plan. Why tax tobacco and not also tax all things which have been alleged to be bad for our health? Why not tax VCR movie rentals, cable TV, couches, rocky

road ice cream, bunge jumping, sun bathing, hand guns, microwave ovens, and those Chevy pick-ups with the vulnerable gasoline tanks? Why not broaden the tax base and lower the tax rate?

A consumption tax on tobacco consumers is a production tax on tobacco producers. Local, state and federal taxes are already collected on tobacco at a rate of over \$60,000 per acre annually. There are over half a million families raising tobacco in the United States on farms averaging approximately 2.3 acres. By law they receive no government subsidies and in fact pay two separate taxes to the government for the privilege of growing the product. Those farm families support rural communities, businesses, churches, schools and hospitals. Putting them out of business will not stop folks from smoking. You can be assured the multinational corporations will either grow or import tobacco long after the auctioneer's gavel has fallen at the liquidation sale of the last family farmer.

It is unjust to require the producers of one commodity to carry the burden of health care financing alone. Let's find an equitable way to finance this program.

Larry Mitchell
Agriculture Consultant and
Family Farm Advocate

October 21, 1993

MEMORANDUM

TO: Bob Lewis
Bob McAdam

FROM: Susan Stuntz *smg*

Attached for your information are two more resolutions from regional union councils opposing cigarette excise taxes to finance health care reform. LMC consultant Harry Kaiser has succeeded in obtaining both:

1. From the Ohio United Mine Workers COMPAC (Coal Miners Political Action Committee), representing more than 12,000 active and retiree members of the UMW in Ohio.
2. From the Ohio Valley Council of Sheet Metal Workers, representing nearly 10,000 members in Ohio and portions of West Virginia.

Both will be forwarded to the appropriate Congressional delegations. We are working on obtaining copies of the letters that have forwarded all of these resolutions and will get them to you as soon as they arrive.

Attachments

cc: Cal George
Walter Woodson

T117741176



UNITED MINE WORKERS of AMERICA

O H I O C O M P A C

COAL MINERS POLITICAL ACTION COMMITTEE

5680 DILLES BOTTOM
SHADYSIDE, OHIO 43947
PHONE (614) 676-3972
676-6615

RICHARD TRUMKA
Chairman
EABE ERDOS
Ohio Staff Coordinator

A RESOLUTION

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 sources of revenue, while at the same time health care costs and demand for services continue to escalate, therefore, be it

SEP 30 '83 09:54

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RESOLVED, That the OHIO COMPAC 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 OHIO COMPAC supports broad-based, progressive financing of health care reform, and, be it further

RESOLVED, That the OHIO COMPAC will continue to work with the national AFL-CIO to promote fairly financed basic health insurance protection for all Americans.

ADOPTED SEPTEMBER 24, 1993, SHADYSIDE, OHIO.

SEP 28 93 09:25

T117741178



OHIO VALLEY COUNCIL OF SHEET METAL WORKERS



CARY R. PAXTON
President
4646 Northwest Plaza
Dayton, Ohio 45414
(513) 277-8908

ALAN J. CHERNIAK
Secretary-Treasurer
3888 Sarnocky Avenue
Cleveland, Ohio 44115
(216) 361-1648

DAVID J. WILLIAMS
Executive Secretary
2363 South Avenue
Tolono, Ohio 43008
(614) 362-4608

A RESOLUTION

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 sources of revenue, while at the same time health care costs and demand for services continue to escalate, therefore, be it

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PAGE TWO

RESOLVED, That the OHIO VALLEY COUNCIL - SMWIA 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 OHIO VALLEY COUNCIL - SMWIA supports broad-based, progressive financing of health care reform, and, be it further

RESOLVED, That the OHIO VALLEY COUNCIL - SMWIA will continue to work with the national AFL-CIO to promote fairly financed basic health insurance protection for all Americans.

ADOPTED OCTOBER 14, 1993, WHEELING, W.V.

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October 20, 1993

MEMORANDUM

TO: Bob Lewis
Bob McAdam

FROM: Susan Stuntz *SS*

As you know, David Senter of the American Agriculture Movement this afternoon met with Mike Lux, who is the White House public liaison person for health care. The meeting was at Lux's request.

According to Senter, Lux began the meeting by telling him that the cigarette tax that will be included in the Administration bill that will go to the Hill next week is 75 cents. He stressed that this is a "bargaining position," and said that the Administration would not oppose beer, wine, distilled, or gun taxes. According to Senter, Lux said that the Administration "would not propose" such taxes, but "will not oppose them" either.

He also asked Senter how much it would cost if the Administration were to try to fund a program to get the farmers out of tobacco and onto other crops. Senter told him Lux didn't understand the economics of tobacco growing if he was asking such a question ... and then explained the problems with crop diversification when it comes to tobacco.

Lux also volunteered that the Administration official who has pushed hardest for the highest possible tax is Vice President Gore.

Finally, Senter told Lux of the recent visits by black tobacco farmers to Congressional Black Caucus members. He spoke specifically about Mattie Mack and told Lux that Mack has invited Hillary Clinton to come visit her on her farm. Lux said he would take the invitation to Hillary (when she turns it down -- as we expect she will -- Mattie Mack will have something more for the media). Senter will keep in touch to make sure that the black growers meet with a White House official at the highest possible level.

cc: Samuel D. Chilcote, Jr.
Cal George
Walter Woodson

T117741181

October 18, 1993

MEMORANDUM

TO: Bob Lewis
Bob McAdam

FROM: Susan Stuntz *smv*

RE: Farmers' Meetings with Congressional Black Caucus

Last week representatives from the Federation of Southern Cooperatives, representing black farmers, visited a number of members of the Congressional Black Caucus, to discuss their concerns with the Clinton FET/health care reform proposal. Participants included Ralph Paige, executive director of the Federation of Southern Cooperatives, and growers Mattie Mack of Kentucky, Charles Sherrod of Georgia and Mr. and Mrs. Rice of Virginia.

Rep. Sanford Bishop (D-GA) told the group he "really appreciated the visit," saying it "gave courage to keep fighting." He said he was opposed tobacco taxes to fund health care reform. A film crew from MacNeil/Lehrer was on hand to tape the meeting.

Rep. James Clyburn (D-SC) urged the group to return at a later date to meet with other CBC members to encourage them to join him in opposing higher tobacco taxes.

Charles Sherrod of Georgia had marched with Rep. John Lewis (D-GA) during civil rights protests in the 1960s -- and in fact Lewis has photos of the two of them together. Following a long discussion, Lewis told Sherrod, "I will be sympathetic to your fairness argument."

Rep. Tom Barlow (D-KY) had heard of the group's plans to visit Washington during the Burley & Dark Leaf convention in Nashville and asked them to stop by and meet with him. And later in the evening, Rep. Carrie Meek (D-FL), met with the group at dinner to tell them she was opposed to singling out tobacco.

Rep. William Jefferson (D-LA), and his staff concurred with the group's concerns about fairness. Jefferson noted that he had grown up on a farm in Louisiana, that he still owned his family's farm, and that black ownership of land is important.

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Rep. Bennie Thompson (D-MS) told the group he would work with them on the health care proposal "to protect black tobacco farmers." Thompson suggested, "Maybe we should tax guns instead of tobacco because they increase health care costs -- just stop by an emergency room some night."

Rep. Cynthia McKinney (D-GA) said, "you know I'll do what you want." She added, "we need health care and I support the President, but the tax needs to be fair."

The group spent 90 minutes with Rep. Earl Hilliard (D-AL), who began by suggesting the tax be reduced to 50 cents then 24 cents, to which Mattie Mack responded, "no increase would be much better."

The scheduled meeting with Rep. Eva Clayton (D-NC) was cancelled because of House business. Her staff, however, told the group that Clayton opposed any increase.

Finally, Ralph Paige met with Rep. Charles Rangel (D-NY), who asked him to stay in touch with details on the impact of the health care bill on black farmers.

cc: Sam Chilcote
Cal George
Walter Woodson