

# THE TOBACCO INSTITUTE

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## MEMORANDUM

TO: Roger Mozingo  
FROM: John Bankhead  
RE: Report Number Two on South Carolina  
Cigarette Tax Increase Legislation

According to Hank Stallworth, Staff Director for the South Carolina House Agriculture Committee, the cigarette tax increase bill, H-2050, could be considered by the House as early as Thursday, January 13. However, he predicted that the bill will be considered during the week of January 17.

As of today, the following has been accomplished or is being accomplished in connection with our plan of action as presented in my memorandum of December 16:

- The South Carolina Farm Bureau has mailed a special newsletter on this legislation to its 86,000 members state-wide for the purpose of generating grass-roots opposition to this tax increase.
- The Farm Bureau will hand deliver on Tuesday, January 11, personal letters to each of the members of the House expressing opposition to the tax increase.
- T. I. member companies have approved our action request for their employees to write letters of opposition to their state representatives and senators.
- Through appropriate channels, Maryland State Representative Clarence Mitchell, President of the National Black Caucus of State Legislators, is being asked to send letters of opposition to the tax increase to South Carolina Legislative Black Caucus members.
- Through appropriate channels, outdoor advertisers in South Carolina are being contacted to ask their involvement in opposing the tax increase.

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- At my request, Sterling Smith, T. I. Legislative Council, is sending today an action request newsletter to about 1000 industry contacts across the state, urging involvement in opposing the tax increase.
- Women Involved in Farm Economics - W.I.F.E. - a state-wide organization of farming women - is setting up a telephone tree to encourage opposition to the increase from their members and contacts.
- I have written to eighteen wholesale distributors across the state requesting their involvement. Telephone follow-up with these distributors is being made as well.
- Position papers opposing the tax increase have been prepared by Ed Battison of Washington and June Sears of Richmond and distributed to key contacts and legislators.
- The South Carolina Tobacco Advisory Commission is being requested to send a letter of opposition to each legislator.
- A meeting of tobacco area legislators to plot legislative strategy has been scheduled for 9:00 a.m. on January 12. Sterling Smith, John Gregg McMaster and I will attend.
- A breakfast meeting with Sterling Smith and John Gregg McMaster, T. I. lobbyists, and Pete Gustafson, Public Affairs Director of the Farm Bureau, Ernie Nunnery, Assistant to New Commissioner of Agriculture Les Tindal, and me to discuss legislative and grass-roots strategy will be held prior to the January 12 legislators' meeting.
- Outgoing Commissioner of Agriculture Bryan Patrick has been provided with a draft letter to send to Republican legislators in opposition to the increase.

In a move which may be favorable to our situation, the House Ways and Means Committee yesterday voted to report legislation to the floor which proposes to cut the FY83 budget by \$85 million, which indicates that the committee feels the cigarette tax increase will not pass. Obviously, the increase will not be necessary should this proposed budget cut pass.

The State newspaper reported today that strong opposition to the cigarette tax increase is mounting in the General Assembly.

  
J. B.

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