KEY ISSUES LEGISLATIVE STATUS/ACTIVITY March 23, 1995

ALABAMA

Issue:

Tort reform, ADAMHA with preemption

Status:

Session begins on 4/18. ADAMHA legislation drafted. Potential for tort efforts

being explored. Do not expect tax or other adverse legislation.

ALAŞKA

Issue:

Tort Reform

Status:

Focus is on medical malpractice and not product liability. Favorable to us. Should

pass House, trouble in Senate.

ARIZONA

Issue:

Diversion of Proposition 200 money.

Status:

Conversations are underway with legislators in both chambers. Legislators are looking at a number of bills in this regard. We are prepared with amendments for

whichever bill/bills surface.

Issue:

Industry supported ADAMHA bill.

Status:

Speaker holding original bill. We have found a "striker" bill to add our provisions

and wants. Bill has passed House & has been sent to Senate Rules. Hearings

expected on Senate floor week of 3/27.

Issue:

Prohibits the use of any persons other than qualified electors to collect signatures.

Prohibits the use of paid petition circulators.

Status:

Because of Constitutionality problems, bill probably will not go any further.

ARKANSAS

Issue:

Ban smoking in certain public places. Authorize Board of Health to enforce

regulations.

Status:

Plan is to defeat and introduce a new bill in the House ultimately getting

preemption. Hearing scheduled 3/27.

Issue:

Industry supported ADAMHA bill.

Status:

Failed to pass hearing on 2/22. Bill is dead for session.

Issue:

Provides for ADAMHA enforcement, restrictions in public places, establishes

uniformity.

Status:

Came out favorably and sent to House floor. Passed House 3/21, going to

Senate.

Issue: Status: 2.5¢ cigarette tax increase for breast cancer research. Current tax is 31.5¢ Assigned to House Rules. Hearing rescheduled 3/27. Grassroots underway.

CALIFORNIA

Issue:

2¢ per pack increase. Existing tax is 37¢.

Status:

Hearing scheduled for March 29.

Issue:

Tort Reform/Medicaid Liability

Status:

Legislation introduced on 2/23 which permits state and private insurance companies to sue cigarette manufacturers to recoup health care costs for tobacco-related diseases. Removes exemption in state law that bans most lawsuits against tobacco. Hearing cannot be scheduled for 30 days from date of

introduction.

Issue:

Advertising/Marketing Restrictions

Status:

Anticipate legislation to ban use of Joe Camel advertising to be introduced. Three

bills have been introduced dealing with possession of cigarettes by minors; a ban

on vending; and amendments to ADAMHA law.

COLORADO

Issue:

Prohibits state agencies from setting up not-for-profit corporations unless the

legislature approves.

Status:

Bill has passed the House and laid over in the Senate.

Issue:

Prohibits state agencies from participating or assisting in early stages of the

initiative process.

Status:

Bill has passed both houses and has been sent to the governor.

CONNECTICUT

Issue:

Initiative and Referendum Authority

Status:

Several bills have been introduced in the Senate, House to amend the constitution to authorize an initiative and referendum system for the state. Final enactment

unlikely.

Issue:

Smoking Restrictions

Status:

House bills have been introduced on workplace, restaurant and public places. All

in Joint Public Health and/or Labor. A large public hearing was held 3/22.

Enactment unlikely.

Issue:

Vending Machine Ban

Status:

The AG has requested a state-wide vending ban. A bill has been introduced and

was heard last week. This will be a tough fight.

Issue:

Medicald Liability

Status:

A Medicaid tobacco only liability bill was announced by a persistent anti-smoking House legislator. The bill was assigned to the Joint Judiciary Committee. The committee may hold a hearing. This bill is difficult, but it can be held in committee.

DELAWARE

Issue:

ADAMHA

Status:

ADAMHA deals with sales, advertising, sampling and display preemption.

Smoking (use) preemption already in place. 50/50 chance of passage. Anticipate

no adverse legislation.

FLORIDA

Issue:

SB2110

Status:

Three bills to repeal 2110 prefiled. Session began on March 7. Industry lobbying team attempting to identify veto-proof vehicle bill; AIF and other business groups continue to support repeal effort. Awaiting decision by state Supreme Court on

validity of state agency which filed suit against the industry. Committee hearing to be held 3/28 on SB42, one of the bills which would repeal SB2110. Expect the committee to report the bill out by a substantial margin.

Issue:

Repeal preemption

Status:

Expect annual attempt to weaken preemption, especially related to restaurants. One such bill has already been heard in two committee meetings, no votes taken and at least this bill, which would ban smoking in all restaurants, should not pass.

Issue:

General

Status:

Several of the usual anti-tobacco bills prefiled, including one already defeated, which would have raised the purchase age for tobacco to 21. Any attempt to increase taxes, including cigarette excise taxes, is very unlikely to pass.

GEORGIA

Issue:

1995 regular session completed. No legislation adverse to RJRT or the tobacco

industry enacted.

Status:

HAWAII

Issue:

40¢ per pack increase. Existing tax is 60¢.

Status:

No hearing has been scheduled in House Finance Committee. Does not appear

to be a serious threat.

Issue:

Smoking Restrictions.

Status:

Five bills dealing with restrictions on smoking in restaurants, state buildings and the private workplace failed to meet the March 9 crossover deadline and are

considered dead for the year.

Issue:

ADAMHA/Minors Legislation

Status:

Four bills which would prohibit the distribution of samples and coupons and one

bill to require a retail tobacco license, failed to meet the March 9 crossover

deadline and are considered dead for the year.

IDAHO (Session adjourned 3/17/95)

Issue: Status: Industry supported ADAMHA bill. Bill has been tabled and is dead.

Issue:

Industry supported ADAMHA bill.

Status:

Voted down in House State Affairs. Not enough votes for reconsideration. Bill

dead for session.

<u>ILLINOIS</u>

Issue:

Authorize localities to impose 1¢ cigarette increase and repeal 1994 preemption.

Status:

Killed in House Committee.

Issue:

Tort Reform

Status:

House Bill 20, a major tort reform package which includes industry language, was

signed by the governor on March 9. Constitutionality of new law is being

challenged in court.

INDIANA

Issue:

Smoking Restriction/Minors Legislation

Status:

One bill restricting smoking in government buildings and four bills dealing with banning of displays, restricting vending, penalizing retailers for sales to minors and

prohibiting minors from possessing cigarettes, failed to meet the March 6

crossover deadline and are dead.

Issue:

Tort Reform

Status:

Broad coalition measure including some industry recommendations passed the House on March 3. Legislation has been assigned to the Senate Corrections and Code Committee and hearing date is set for 3/27. Trial lawyers are very active

and expect difficult fight in the Senate.

Issue:

ADAMHA/Smoking Restriction with Preemption

Status:

Industry-endorsed ADAMHA and smoking restriction legislation with preemption, has failed to meet the crossover deadline of March 6 and is dead. Industry lobbyists will attempt to amend identical language into a House Bill during debate in the Senate.

IOWA

Issue:

ADAMHA/Smoking Restriction Preemption

Status:

There are several bills under consideration to eliminate existing marketing and smoking restriction preemption. One bill gives authority to municipalities to have additional license fees for retailers. Senate Bill 203, which eliminates smoking preemption, was reported from Human Resources Committee. Industry lobbyists are working to have it assigned to Judiciary Committee.

Issue:

Divestment

Status:

Legislation to prohibit state from investing state funds in tobacco companies has been introduced. No hearing date has been set in House Judiciary Committee.

Issue:

General

Status:

Do not expect legislation to increase cigarette tax. Will continue to watch for Medicaid liability measure.

KANSAS

Issue:

Smoking ban in all public places.

Status:

Assigned to House Health and Human Services Committee. Unanimous voice

vote to kill bill. Bill is dead.

Issue:

Authorizes Attorney General to take action against third parties for Medicaid

reimbursement.

Status:

Kind of pointless, as AG can take action now. AG Stovall has told our lobbyist she did not plan any actions on Medicaid. Missed deadline, will be carried over to

1996.

Issue:

Industry supported uniformity/preemption bill.

Status:

Came out of committee 2/20 favorably. Bill failed to get referred. Will be carried

over, dead for year.

Issue: Status: ADAMHA type bill without preemption. Will attempt to amend in preemption. Came out of committee 3/22 w/o preemption. No amendments will be offered for

preemption. Will pass the House 3/23 and be sent to Senate where leadership will hold until '96 session.

KENTUCKY

Issue:

Not in regular session in 1995.

Status:

LOUISIANA

Issue:

Tort Reform

Status:

Session begins 3/27. Currently developing a two-year plan to enact significant tort

reform but do not expect any legislative progress during the 1995 session.

Issue:

MEDICAID Liability

Status:

Nothing prefiled but one bill did have full committee hearing in a special session

held in late 1994.

MAINE

Issue:

Medicaid Liability

Status:

The legislation (the most repressive yet to surface) was introduced by the most liberal members of the legislature. It has been assigned to the Joint Human Resources Committee. Another bill may be introduced by the Judiciary Chairman. Although the environment is difficult, I believe this bill can be contained. The industry has retained Jon Doyle to help defeat the bill. A public hearing is scheduled April 3.

Issue:

Tort Reform

Status:

At RJR's initiative, a comprehensive tort reform bill was drafted and introduced. The bill contains reform in products liability (including comment i), assumption of risk and punitive damages. C & B has hired Doyle to be the lead lobbyist. He is putting together a coalition. We have a good chance because of political changes.

Issue:

Cigarette Excise Tax

Status:

A 30¢ a pack excise tax increase bill (property tax reform) was filed by liberal House members and assigned to the Joint Taxation Committee. Although the governor has said no new taxes, cigarette revenue is always popular with a number of legislators. We must watch to make certain this increase is not amended to the budget in committee, on the floor or in budget conference

committee.

MARYLAND

Issue:

Nicotine spiking

Status:

A bill which would prohibit the sale of cigarettes containing "manipulated" nicotine

has been passed by the Maryland Senate. A favorable House Committee assignment is anticipated. Maryland lobbying team now feels that this bill is under

control. Continue to monitor very closely. House Environmental Matters Committee has scheduled a hearing for the week of 3/27. Committee chairman

continues to oppose.

Issue:

4¢ excise tax

Status:

Current rate is 36¢ per pack. This should not be a serious threat. Legislature is not inclined to enact any taxes this session. Proposal has been defeated in Senate committee but a 25% tax on smokeless products has been approved by

the committee.

Issue:

General

Status:

The MOSH statewide workplace smoking ban is back on the legislative agenda because of the Appeals Court decision to remove our injunction. The Senate has passed a bill which modifies the regulation to exclude hotels, motels, bars, taverns, and many restaurants. The House is considering a similar bill with passage expected this week. All indications are that the governor will veto either measure; at this time, there is adequate legislative support to override a veto. Both houses have approved legislation which exempts certain businesses from the smoking ban. Governor has until 3/27 to sign, veto or allow to become law without his signature. Legislative support appears to be adequate to override a veto.

MASSACHUSETTS

Issue:

Medicaid Liability

Status:

A tobacco only Medicaid liability bill was introduced by a senator (out of favor with the Senate President) and a few liberal members of the House. It has been assigned to the Joint Judiciary Committee. Both co-chairpersons have been somewhat hostile to industry. A hearing will be held April 4. Unless a groundswell develops, I don't believe the bill will pass this year. The danger is this bill could be hung on the budget during a very short timeframe. A loose coalition is being formed to assist the industry efforts. (Additionally, the AG may file suit based on

existing authority.)

Issue:

Tort Reform - Defensive

Status:

Four protective order bills have been introduced and will be considered. A wellorganized business coalition stopped it last year, but the trial bar is well financed and strong politically. It will be a fight.

Issue:

Anti-Smoking Budget Authority

Status:

The legislature has been cutting back on the anti-smoking program authorized by a ballot tax increase. The industry will try to cut back the budget further.

Issue:

Preemption

Status:

Restaurant and ADAMHA-type preemption legislation have been introduced and will be lobbied this session. We will back the efforts. This is an uphill fight.

Issue:

130 tobacco related bills

Status:

As usual, Massachusetts leads with the most number of anti-tobacco bills. With this great volume, an unpleasant surprise can happen.

MICHIGAN

Issue:

Preemption and ADAMHA

Status:

Legislation to repeal preemption enacted in 1993 has been introduced in the Senate and House. Leadership in both bodies have been informed that ADAMHA legislation has been drafted by retail groups and they, in turn, have agreed that hearings on the preemption repeal will not be held until the retailers' proposal is

presented.

Issue:

Advertising/Marketing

Status:

Two bills, one which bans tobacco advertising on billboards and another which bans the distribution of tobacco products through the mail, have been introduced.

No hearing dates have been set.

Issue:

Tort Reform

Status:

Two bills pushed by the Law Suit Abuse Coalition have been introduced in the

Senate and the House. Both bills include some industry language.

MINNESOTA

Issue:

Taxes

Status:

Four bills have been introduced which increase the clgarette tax 40¢ per pack but

no hearings have been set in either the House or Senate Tax Committees.

Issue:

ADAMHA

Status:

Industry endorsed pro-active legislation has been introduced. HB 108 has passed the House Commerce Committee and awaits floor action. One bill, introduced at the request of the AG and imposes severe penalties on retailers for sales to

minors, was killed in same committee.

Issue:

Tort Reform

Status:

Major charge for 1995 is to prevent passage of legislation giving more authority to

AG on Medicaid liability. Some possibility of favorable tort reform through Civil

Justice League.

MISSISSIPPI

Issue:

All tobacco related bills have either been killed or are in favorable committees.

The session ends 4/2.

MISSOURI

Issue:

ADAMHA/Preemption

Status:

Companion bills filed. Senate version has cleared committee and the House bill should do the same. Preemption includes use. Starting to get negative press

regarding the preemption provision. Still have good chance of passing.

Issue:

MEDICAID

Status:

There are a couple of bills, introduced by trial lawyers, which have the potential for Florida style MEDICAID problems - these are being closely monitored. There has been no significant movement or attempts to modify the language in the "Florida"

style.

MONTANA

Issue:

Tax - 18¢ per pack increase to assist in the funding of the Montana Health Care

Reform Act. Major package with an excessive price tag.

Status:

Hearing held in House Health Committee on 2/20. No action taken and none

expected.

Issue:

Tort Reform

Status:

Legislator indicated interest in introducing Medicaid Liability legislation. No bill has

been introduced and lobbyists are monitoring all legislation which could include

language.

NEBRASKA

Issue:

Smoking Restriction

Status:

Measure to ban smoking in state-owned or occupied buildings failed to receive the

necessary votes to advance to second reading. However, it is not dead and will be

debated again.

Issue:

ADAMHA

Status:

Restrictive legislation dealing with sales to minors, vending machines and self-service displays was killed in Senate Judiciary Committee on March 8. Industry endorsed ADAMHA legislation, with preemption, was also defeated. Industry lobbyists will not attempt to amend language into other legislation but will try again

next year.

NEVADA

Issue:

Industry supported ADAMHA bill.

Status:

Bill is in BDR (Bill Draft Request) form at the present time.

Issue:

Tort Reform.

Status:

Bill in Senate Judiciary and is favorable to industry. Amendments to be added to

greater protect manufacturers.

NEW HAMPSHIRE

Issue:

ADAMHA Legislation/Preemption

Status:

A bland ADAMHA-type bill without preemption passed the House Commerce and

Economic Development Committee. The bill is ready for a floor vote.

NEW JERSEY

Issue:

Medicaid Liability

Status:

A tobacco only Medicaid reimbursement bill was introduced by a Democrat in a heavily Republican Assembly. The bill was assigned to a favorable committee -

Insurance. It will not receive favorable consideration.

Issue:

Tort Reform

Status:

A package of tort bills passed the Senate and is in the Assembly. The industry is working to reinstate punitive damages reform (removed by the Senate). If not successful, the governor (with power to amend legislation) may alter the bills.

Issue:

ADAMHA Preemption

Status:

An ADAMHA-type bill is before the Assembly after passing the Senate.

Unfortunately, preemption was amended out.

NEW MEXICO (Session Adjourned 3/18/95)

Issue:

Authorizes localities to impose a 30% tax of retail cost of cigarettes.

Status:

Bill falled to get out of committee. Bill is dead.

Issue:

Ban advertising, billboards and sale of tobacco products all within 300 feet of

schools.

Status:

On 3/2 bill got a 2nd referral to Senate Public Affairs and is dead.

Issue:

Protective Order bill. Prohibits the court from entering protective order, also prohibits private parties from agreeing not to reveal information about dangerous

products. Is also retroactive.

Status:

Bill was assigned to the Senate Judiciary Committee and tabled. Dead for the

year.

Issue:

Smoking Accommodation/Preemption.

Status:

House struck designated smoking areas and preemption language on a vote of 40-20. Bill re-referred to House Business & Industry Committee and is dead.

NEW YORK

Issue:

Tobacco Distributor Collection of Sales Tax

Status:

Gov. Pataki (like former Gov. Cuomo) has requested tobacco wholesalers pay the state cigarette sales tax. Bills have been introduced in the Senate and Assembly.

Allies may ask RJR to help defeat the legislation.

Issua:

Advertising Restriction

Status:

Legislation has been introduced to withdraw government subsidies from mass transportation that accepts tobacco advertising. This bill may be tough.

Issue:

ADAMHA Preemption

Status:

A draft bill is being reworked and will be evaluated. The bill will be introduced in the Senate this spring. Outlook is shaky.

issue:

Medicaid Liability

Status:

A tobacco only Medicaid-type bill has been introduced in the Assembly by liberal

anti-smoking Democrats. The Issue will receive favorable news media coverage

but can be contained.

NORTH DAKOTA

Issue:

ADAMHA

Status:

Restrictive ADAMHA legislation proposed by the Department of Health as well as industry endorsed language has been killed. Industry still looking for vehicle bill to

insert language. Prospects are not very good.

OHIO

Issue:

ADAMHA and Smoking Restriction Preemption

Status:

The industry has been working to develop a pre-emption bill, an action plan and a budget. Introduction will be in April. The bill is designed to curtail vigorous antismoking regulations by local boards of health. House and Senate sponsors have

been lined up. Lobbying assignments have been made.

OKLAHOMA

Issue:

Preemption repeat

Status:

One bill has cleared the House - while this bill does not completely remove preemption, it is the first step and every effort is being made to kill this measure. Several other preemption repeals are pending but should not move. The last freestanding bill which would have repealed existing preemption has been defeated.

Issue:

MEDICAID

Status:

There is a 20-page Senate bill, introduced by a trial lawyer but not supported by the Trial Bar. This bill has real potential for Florida-style problems and is being closely monitored. Not much potential for passage at this point. Continue to work

with C&B to ensure this bill does not adversely impact RJRT.

OREGON

Issue:

Citizen Lawsuits

Status:

A dangerous bill has been introduced that would authorize citizens to sue

companies with the assistance of the state Attorney General. This could open the door for a variety of suits against the industry including Medicald reimbursement.

Issue:

Cigarette Excise Tax Sunset

Status:

A 10¢ tax used to finance health care will sunset July 1. The industry is working to make certain the tax expires. Opposition has developed. The sunset issue will be difficult. A 25¢ increase bill also has been introduced in the House.

Issue:

Medicaid Liability

Status:

Two Medicaid liability bills have been introduced. They can be contained, but high profile hearings will be held. Extra resources will be needed.

Issue:

Tort Reform

Status:

Several favorable tort reform bills have been introduced. A good opportunity exists to enact bills backed by the industry. Language has been given to the industry lobbyists. Senate hearings have started.

Issue:

Tax Stamps

Status:

The Oregon Department of Revenue has introduced legislation to eliminate cigarette tax stamps. It has a chance for passage.

Issue:

I & R Authority

Status:

Several bills have been introduced to tighten the requirements for ballot initiatives.

We will support most of the bills.

Issue:

Clean Indoor Air

Status:

Bills have been introduced to restrict public/private smoking. All will receive

attention, but we should prevail.

PENNSYLVANIA

Issue:

ADAMHA Preemption

Status:

Introduced last year, similar legislation will be re-introduced this year in April. We have worked carefully with legislative sponsors, and believe this legislation is

doable.

Issue:

Self-Service Display Ban

Status:

Fourteen House members have sponsored legislation ban self service displays. The bill was assigned to a favorable committee. We don't expect movement.

Issue:

Local smoking preemption

Status:

The House bill would remove local preemption. It can be stopped.

RHODE ISLAND

Issue:

Restaurant Smoking Ban

Status:

Two bills have been introduced that would either totally or partially ban (bars exempted) smoking in restaurants. Hearings have been held. The bills are in Senate HEW committee which is unfavorable. A floor vote can be expected.

Issue:

Cigarette Excise Tax Increase

Status:

Gov. Lincoln Almond has announced a 5¢ cigarette tax increase request. It is now

part of his budget that the legislature must approve. Uphill fight.

SOUTH CAROLINA

issue:

ADAMHA/Preemption

Status:

Legislation being drafted to comply with ADAMHA requirements and to codify existing preemption on local smoking restrictions. Would also include preemption for sales, advertising, display and sampling. Good chance of passage. The Department of Revenue has agreed, with some reservations, to accept the

enforcement responsibility for ADAMHA.

Issue:

General

Status:

No chance of cigarette excise tax during the 1995 session. There are several insignificant tobacco related bills introduced which would have little impact, if

enacted.

SOUTH DAKOTA

Issue:

The legislature adjourned Sine Die on March 4. All measures proposed by Governor Janklow to fill the revenue gap created by the 30 percent cut in property taxes were approved. This included 10¢ per pack increase in the cigarette tax and a new 10% OTP tax. The industry did pass a preemption on the use of tobacco products and a "State of the Art Defense" tort measure. Smoking restriction

legislation in state-owned buildings was defeated.

TENNESSEE

Issue:

Sampling

Status:

When ADAMHA/Preemption was enacted last year, the language adopted prevents mailing product. A caption bill has been introduced and language is being developed to correct this problem. The Agriculture Commissioner is assisting. Language for correction developed by C&B and being reviewed by

Tennessee lobbying team.

Issue:

General

Status:

No chance of cigarette excise tax during the 1995 session. Major effort will be to protect preemption and to revise 1994 ADAMHA legislation.

TEXAS

Issue:

ADAMHA/Preemption

Status:

Introducing two bills - one addresses ADAMHA and contains some preemption on sales, advertising, display and sampling. The second deals with accommodation of smokers. The ADAMHA bill has a good chance of passage. 50/50 on the

accommodation.

Issue:

Tort Reform

Status:

Attempts are being made to refine and improve gains made in tort reform. PM is leading and coordinating this effort.

Issue:

General

Status:

Little chance of cigarette excise tax increase this year. No other major threats to

industry anticipated.

UTAH (Session adjourned 3/1/95)

Issue:

An excise tax increase. No amount given.

Status:

Dead for year.

Issue:

Prohibit self-service displays.

Status:

Bill was amended to a resolution and passed the House and was not heard in the

Senate. Dead for year.

Issue:

Provides smoking exemption for truck stops.

Status:

This bill would have been an exemption to the Utah Indoor Clean Air Act which passed in 1994. Passed committee but failed on the House floor. DEAD

Issue:

Would allow for recovery from liable third parties for expenditures incurred by the

state Medicald program.

Status:

Both C&B and RJRT Legal Departments do not see a real problem with this bill as it is written. We are watching for adverse amendments. Bill has been assigned to

Senate Health and Environment Committee. Passed Senate 2/23 without amendments. Has been sent to the governor. Governor will sign.

VERMONT

Issue:

Cigarette Excise Tax Increase

Status:

Gov. Howard Dean has requested a 20¢ a pack increase to finance health care. The tax was increased to 24¢ in committee and was passed by the House. Three Senate committees are considering the legislation. It is likely some type of increase will be enacted this session.

IIICI

Joe Camel Advertising Restriction

Issue: Status:

A long battle developed over Joe Camel last year. It passed the House in a modified version (in-store displays). This year the Issue will not be as difficult. Bills have been introduced in the Senate & House. Hearings may be scheduled. I

believe we can defeat it again---with effective use of resources.

Issue:

Restaurant Smoking Ban Reversal

Status:

The industry has introduced a bill to partially reverse a restaurant smoking ban due to take effect in July. It will be a difficult task but the legislation might be good

trading stock. Hearings have been held.

Issue:

Medicaid Liability

Status:

A hybrid Medicaid liability bill and a tobacco only bill have been introduced. They

are dangerous bills in a dangerous anti-tobacco state.

VIRGINIA

Issue:

Tort Reform

Status:

An amendment has been placed in both the House and Senate Budget bills which codifies existing case law and would restrict states ability to recover MEDICAID expenditures. Excellent chance for passage. This provision was removed from the budget bill during conference. The plan is to ask the governor to reinsert the provision when he reviews the budget. Virginia law allows the governor to make amendments to approved legislation. Working with Steve Pearson, Jay Poole and Keith Teel on this. Language approved by Attorney General, governor has until

3/27 to include language in budget bill.

Issue:

General

Status:

Session was completed on February 25. Only one pure tobacco bill was passed.

Will provide end of session report after Governor's veto session.

WASHINGTON

Issue:

Excise Tax Reduction

Status:

The industry is working to abolish or reduce the final two stages of the state's excise tax incremental increases. (17¢). A House vote is imminent. The legislation was spurred by a reduction in the health care plan. If unsuccessful, we will attempt to amend a bill. The issue is a real challenge.

Issue:

Sampling

Status:

A senate bill would restrict the company's ability to direct mail products. It has passed the Senate Health Committee and is in Rules Cmte. It will be held in

Rules.

Issue:

Workplace Smoking

Status:

The industry is supporting legislation that would modify the state's ban on workplace smoking. The bill was approved by the House and is in the Senate.

issue:

Advertising Ban & Packaging Restriction

Status:

A Senate bill would, in effect, ban all cigarette advertising. It also would mandate black and white only cigarette packaging. The bill is unconstitutional and is being

held in a Senate Committee.

WEST VIRGINIA (Session adjourned 3/11/95)

Issue:

1995 regular session completed. No legislation adverse to RJRT or the tobacco industry was enacted. A MEDICAID third party subrogation bill was amended to prohibit the state health agency from filing Florida-type recovery lawsuits. The governor is expected to sign this measure into law.

Status:

WISCONSIN

Issue:

Taxes

Status:

No cigarette tax increase proposed in governor's budget.

Issue:

Tort Reform/Medicaid Liability

Status:

Industry is concerned with possible AG suit and/or Medicaid liability legislation. To date, no activity. In addition, the Coalition for Civil Justice is pushing tort reform.

One bill, of interest to industry, has passed the Senate.

issue:

ADAMHA

Status:

Anticipate introduction of legislation to eliminate sales preemption and impose

stringent marketing restrictions. No activity to date.

WYOMING (Session adjourned 3/1/95)

Issue:

None

Status: