

STATE GOVERNMENT AFFAIRS
WEEKLY REPORT
MARCH 27, 1998

Resolution

(T) Arizona - On 3/17, FET project conference call was conducted to set up strategies/assignments. Conducted Recess Plan Coordinator conference call on 3/25 to discuss preliminary draft of state plan, which is scheduled to be completed on 3/27.

(T) Arkansas - A PM lobbyist met with Governor Huckabee regarding contacting entire congressional delegation to express opposition to F.E.T. and support for national resolution. The meeting was positive. The Governor requested his Administrative Assistant to review the material and said he will get back to our lobbyist. On 3/10, assignments were made for state leadership and third parties to contact congressional members. Reports are due by 3/31.

(T) California - S.1928 requires that funds received by the state under a national tobacco settlement be used to reduce personal income taxes. The bill is scheduled for hearing in the Senate Health and Human Services Committee on 4/1.

(T) California - State Assemblyman Alby had a discussion with Congressman Doolittle in support of the PR. She intends to have a follow up conversation with him this week on the FET. State Asm. C. Pringle had discussions with Cong. Rogan and Cong. Royce in support of the PR.

(T) Colorado - On 3/16, FET project conference call was conducted to set up strategies/assignments.

(T) Delaware - Meetings were held 3/16 and assignments were given to industry lobbyists to contact state and congressional members and third parties expressing opposition to F.E.T. and support for 6/20 resolution. Reports will be monitored on a weekly basis.

(T) Idaho - State Representative Ron Crane sent two letters regarding FET. Joint Finance-Appropriations Committee Chairs sent two letters regarding FET. State Representative Paul Kjellander sent two letters regarding FET. Senator Thorne, Chair of Local Government & Taxation and Vice Chair of Finance, sent letter supporting the PR and opposing FET.

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(T) Illinois - The Illinois team is moving forward with meetings scheduled over the next couple of weeks with key decision makers and alley groups to generate letters to the congressional delegation.

(T) Kansas - Reports for the assignments made for state leadership and third parties to contact congressional members are due by 3/31. A conference call will be held on 3/25 to review the Kansas coordinated campaign targeting Senator Brownback.

(T) Kentucky - SR.101, supports 6/20/97 agreement. The resolution was adopted on 3/12 by a vote of 38-0. The house is now planning on doing a similar resolution.

(T) Massachusetts - Industry lobbyists met to discuss state plan for proposed resolution. Meetings with legislators to follow.

(T) Missouri - A follow-up meeting to review assignments for contacting congressional members was held in Jefferson City on 3/23. Final reports are due by 3/31.

(T) Montana - On 3/13, had FET project conference call to set up strategies/assignments. A Recess Plan conference call was conducted on 3/16 to select state coordinator.

(T) Nebraska - On 3/26, the Nebraska National Campaign Coordinator will be holding a meeting/conference call to make assignments for state leaders to contact the Governor.

(T) New Hampshire - House-passed H.1295, establishes a procedure for disbursement of a settlement by a recipient of state medical assistance from a liable third party, is scheduled for a hearing in the Senate Finance Committee on 4/2.

(T) New Jersey - Meetings were held on 3/20 and assignments were given to industry lobbyists to contact state and congressional members and third parties expressing opposition to F.E.T. and support for 6/20 resolution. Reports will be monitored on a weekly basis.

(T) New Mexico - On 3/11, FET project conference call was conducted to set up strategies and assignments.

(T) North Carolina - A tobacco team meeting was held on 3/18 to develop strategies and make team assignments.

(T) Ohio - The Governor will be meeting with senior management on 3/30 regarding several issues, including the proposed resolution and the governor's NGA involvement. Tobacco growers met on 3/25 with members of the Ohio legislature to discuss tobacco issues. They urged legislators to support, and attempt to move forward, the proposed resolution.

(T) Oklahoma - On 3/21, a PM lobbyist met with the Attorney General who is adamantly supportive of the national resolution. The AG is considering contacting the Senate President Pro Tem and the Speaker to support a state resolution urging Congress to pass the national resolution. Reports for the assignments made for state leadership and third parties to contact congressional members are due by 3/31.

(T) Pennsylvania - Meetings were held 3/19 and assignments were given to industry lobbyists to contact state and congressional members and third parties expressing opposition to F.E.T. and support for 6/20 resolution. Reports will be monitored on a weekly basis.

(T) South Carolina - A tobacco team meeting was held on 3/17/98 to develop strategies and make team assignments. A resolution in support of the 6/20/97 agreement is planned for the Senate.

(T) Texas - An industry team meeting was held on 3/17 to discuss PR activities, FET campaign, and recess campaign.

(T) Utah - On 3/10, a FET project conference call was conducted to set up strategies and assignments.

(T) Vermont - House and Senate-passed JRH.90, a state resolution asking the President and Congress to reject tobacco control legislation that would preempt Vermont's ability to protect public health and preempt the state's tort laws, was sent to the Secretary of State. The Secretary of State assigned the resolution number R-182 and will send copies to the President and Congress.

(T) Virginia - A tobacco team conference call was held on 3/19/98 to develop strategies and make team assignments.

(T) Washington - State Representative Tom Huff, Appropriations Chair, sent letter supporting the PR. State Representative Jim Honeyford sent letter supporting the PR.

(T) Wyoming - On 3/17, a FET project conference call was conducted to set up strategies and assignments.

Fiscal

(T) Alabama - Attorney General Bill Pryor's tobacco assessment/tax bill package: House substitute bill, HB 78; and House substitute bill, HB 91 will not be heard on the House floor until April 7th, which falls after the state legislative election filing deadline. Proponents of the package may offer, on the House floor, a new substitute proposal which drops the tax penalty portion and replaces it with a doubling of the assessment if tobacco companies fail to pay the assessment by a specified date. If payment is delinquent, the state would have the ability to file a lien against a tobacco company for the assessed amount due.

(T) Kansas - On 3/26, a motion to withdraw H.2994, a \$.50 per pack excise tax hike bill, from the House Appropriations Committee and send it directly to the House floor for debate failed to receive the necessary full House super majority vote of 70. The motion got 61 votes.

(T) Maryland - SB 614, introduced 2/11, would increase cigarette tax by \$1.50. Senate committee rejected legislation on 3/24 by a vote of 7-6. Bill is dead for the year.

(F) Wisconsin - A.825/S.469, companion bills clarifying the tax exempt status of products such as "Lunchables," was approved by a 9-0 vote on 3/25 in the Joint Survey on Tax Exemptions Committee.

Product Regulation

(T) New York - A03492-A, directs the office of fire prevention and control to promulgate fire safety standards for cigarettes and little cigars in order to limit their risks of causing fires; provides for enforcement of the standards and sets an effective date on the failure of Congress to establish federal safety standards. This bill was reported out of the Codes Committee on 3/23 and could come up for Assembly floor action at anytime.

Marketing

(B) Alabama - A bill to permit the sale of beer in containers up to 32 ounces was introduced. HB 857.

(T) Kansas - The Senate Federal and State Affairs Committee failed to advance S.606 banning the sampling of tobacco products. The bill remains in committee and appears dead for the session.

(T) New Hampshire - H.721, as amended, gives statutory authority to municipalities to address retailer tobacco and alcohol product signage issues through local zoning ordinances, is scheduled for a hearing in the Senate Executive Departments and Administration Committee on 4/2.

(T) New York - Suffolk County -- On 3/26 the Health Committee will hold a hearing on Intro 1130 restricting POS advertising, bans vending machines and self-service displays.

(T) Rhode Island - S.2412, places restrictions on the advertising and promotion of tobacco products which virtually bans all billboard advertising, is scheduled for a vote in the Senate on 3/26.

(T) Wisconsin - With the regular session of the 1997-98 biennium ending 3/26, S.314, eliminating statewide uniformity, remains in the Senate Judiciary Committee.

(T) Wisconsin - S.313, a restrictive marketing bill, remains in the Assembly Rules Committee, where the Assembly Majority Leader is attempting to put together a compromise bill.

Smoking

(T) Florida - SB 148, a measure to repeal the statewide preemption law, passed out of the Senate Community Affairs Committee and was referred to the Senate Commerce Committee.

(T) Florida - The House bill to repeal statewide preemption law was held in the House Community Affairs Committee. This in essence kills the bill, as it was not voted for reconsideration and the sponsor and chairman committed to study and discuss the issue among the interested parties after end of session.

(T) Illinois - Wilmette -- The Board of Health will decide on 4/22 whether to recommend adoption of an ordinance to amend the current ordinance to ban smoking in all public places, from eating establishments to offices and stores. The current ordinance allows smoking only in designated areas, exempting small restaurants. The Village Board will make the final decision. The ordinance, if adopted by the Village Board, would be the strictest in the state.

(T) Illinois - H.2797, amends the Clean Indoor Air Act to provide that units of local government may regulate smoking in public places. Also provides that this regulation must be no less restrictive than the act. The bill passed out of the House Local Government committee on 3/19 by a vote of 9-5 and scheduled for second reading on the House Floor on 3/25. No action taken.

(T) New York - Rockland County -- The County Legislature is deliberating an unnumbered proposal virtually banning smoking. Among other things, this bill would ban smoking except in totally enclosed and separately ventilated bars, and require separate ventilation at private events where smoking is permitted. The bill will be discussed at a 4/8 meeting and hearings will be scheduled at that time.

(T) New York - Suffolk County -- Legislation was introduced on 3/3 to extend the bar area smoking exemption permanently, currently scheduled to expire 6/30/98. The Health Committee will hold a public hearing on 3/26 with a final hearing before the full Legislature on 3/31.

Youth Access

(T) Delaware - HB 495 introduced 3/10 would suspend the licenses of businesses guilty of an illegal sale of tobacco to minors.

(T) Delaware - HB 496 introduced 3/10 would require the owner to maintain signatures of the clerks acknowledging that they were informed of the tobacco sales law.

(T) Delaware - HB 497 introduced 3/10 would require enforcement agents to notify the parent or guardian of first time violators (minors who use tobacco products illegally) and require violators to write an essay on the evils of tobacco use and perform community service.

(T) Kentucky - S.307, prohibiting the sale or distribution of cigarettes in units of less than 20 passed the House Agriculture and Small Business Committee on 3/19.

(T) New Jersey - Old Bridge Township Council met on 3/24 and voted 5-4 for a ban on juveniles possessing tobacco in public places. A public hearing and final vote is scheduled for 4/13.

(T) New York - Dutchess County -- Resolution 980094, bans anyone under the age of 18 from entering the smoking area of a restaurant. A hearing is scheduled on 4/8 and further hearings are scheduled during May.

(T) South Carolina - H.4849, requiring a retail license to sell cigarettes and tobacco products was introduced on 3/19 and sent to House Ways and Means Committee.

(T) West Virginia - HB 2395, introduced 2/11, awaits action by the Governor; authorizes the State Tax Department to provide the Department of Health a list of retailers who carry tobacco products, bringing West Virginia up to ADAMHA standards. It would increase the penalties for illegally selling tobacco products to minors and provide community service as a sentencing option for minor possession of tobacco products.

Trade Related

(B) Florida - SB 1558, which has been introduced and referred to the Senate Regulated Industries Committee, provides that a temporary alcohol license granted while permanent license is pending and expires due to denial of permanent license cannot be continued for any reason.

(B) New Hampshire - House-passed H.1131, changes definition of beverage representative, implements filing system for licensees with multiple locations, changes reporting requirement for full service restaurant licenses, requires photo ID presented as proof of age shall not have expired, increases fine for underage possession of liquor and clarifies certain requirements for liquor commission employees, is scheduled for a hearing in the Senate Ways and Means Committee on 4/7.

Tort

(T) Iowa - on 3/25, an attempt to amend Florida-style Medicaid language into a health department appropriations bill failed on the Senate floor. The amendment was gutted on a 25-23 vote and the author subsequently withdrew the amendment.

(T/F/B) Maine - LD29, LD1057 and LD1384, all carryover tort reform bills being pushed by the trial lawyers, one of which eliminated caps for wrongful death and the cap on punitive damages, were defeated in the House on 3/20.

(T) Maryland - SB 618 Maryland's Comparative Negligence Act would repeal contributory negligence doctrine is scheduled for vote in the Senate Judicial Proceedings Committee this week.

(T) Maryland - SB 652 would revive the state's pending lawsuit to recoup Medicaid costs for tobacco related health problems, is scheduled for vote in the Senate Judicial Proceeding Committee this week.

(T) Missouri - The House Judiciary Committee held a hearing on H.1852, a Florida-style Medicaid recovery bill, on 3/24. A vote is expected on 3/31.

(T) Vermont - House-passed H.749, eliminates all affirmative defenses including those of comparative negligence and assumption of risk for tobacco manufacturers in lawsuits brought against them, passed in the Senate Health and Welfare Committee by a vote of 4-1 on 3/24. It is anticipated the bill will be referred to the Senate Judiciary Committee this week. A hearing in Senate Judiciary has tentatively been set for 3/30.

(B) Vermont - House-passed S.185, omnibus alcohol abuse legislation that expands Vermont's dram shop statutes, amends the "right of contribution" provisions of the existing law, authorizes five new positions for the Department of Liquor Control and authorizes immobilization and forfeiture of a drunk driver's vehicle, was voted in the Senate not to concur with the House proposal of an amendment on 3/20. A committee of conference should be assigned on 3/25.

(T/B/F) Wisconsin - S.148, removing the cap on damages in wrongful death suits, was approved in the Assembly on 3/18. The original bill repealed the current \$150,000 cap. This bill was amended to raise the cap to \$500,000 in the death of a child and \$350,000 for an adult. The bill now goes to the Governor.

3-Tier

(B) Alabama - Bills to permit the reassignment of beer brands by a supplier in instances where a brand comprises less than 20 percent of a distributor's total alcohol beverage revenue were introduced on 3/24. HB 899, and SB 648.

(B) Maryland - HB 1263, introduced 2/13, a depletion allowance to a wholesaler/distributor, the said distributor does not have to pass the discount on to the retailer. Passed out of committee 3/21.

(B) New Hampshire - House-passed H.1130, removes a cross-stocking provision regarding delivery of beverages invoiced to on-sale or off-sale retailers by a wholesale distributor for storage in a liquor warehouse, heard in the Senate Ways and Means Committee on 3/24. A committee report is pending.

(B) New Hampshire - H.1339, requires direct shippers of liquor, wine and beer to obtain a permit, pay a fee to the State Liquor Commission on each shipment made, and regulate direct shipments from out-of-state to consumers, passed the House with an amendment by a voice vote on 3/19. The amendment changes the effective date of the bill from 1/1/99 to 7/1/98.

Alcohol Abuse

(B) Minnesota - H.2389, lowering the BAC to .08%, will be debated on the floor 3/25. Amendments similar to those adopted by the Senate -- .08% for 2nd repeat offenders only and a requirement to follow Federal guidelines -- will be offered.

(B) Rhode Island - S.2024, reduces the blood alcohol level to .08% for driving under the influence, passed the Senate unanimously on 3/19. The measure now goes to the House Judiciary Committee. No date has been scheduled.

(B) West Virginia - SB 11 and HB 2092 to reduce the blood alcohol content for DUI convictions from 0.10% to 0.08%. Both bills died in Judiciary Committee - legislative session ended 3/14.

Environmental

(F) Maine - LD2111, establishes new toxic and hazardous waste reduction goals through the year 2006, remains in the Natural Resources Committee as it was granted an extension of the 3/13 reporting deadline. The Committee is working on amending the bill.

(T) New York - A3673, introduced 3/23 and referred to the Assembly Health Committee, provides for the protection of indoor air quality by requiring building owners to maintain an indoor environmental plan and undertake other responsibilities to insure that building occupants have an adequate supply of fresh air.

(F/B) Vermont - S.271, requires that generators of solid waste separate marketable recyclables and yard waste from other solid waste, was referred by the full Senate to the Senate Transportation Committee on 3/12. A hearing has been scheduled for 3/26.

Regulatory

(B) New Hampshire - House-passed H.1210, changes the fee for beverage manufacturers license from \$1,692 to \$1,200 for domestic sales of 15,000 barrels or less and to \$2,400 for domestic sales of more than 15,000 barrels, passed the House by a voice vote on 3/19.

(B) New Hampshire - House-passed H.1480, allows a municipality to petition the State Liquor Commission to revoke the liquor license of a licensee located in that jurisdiction, was heard in the Senate Ways and Means Committee on 3/24. A committee report is pending.

Dairy

(F) Alabama - The House version of a bill to provide for the entry of Alabama into the Southern Dairy Compact passed the House on 3/19, HB 551. A companion Senate bill, SB 559, is awaiting Senate floor action.

(F) Kentucky - S.304, relating to dairy compact, was introduced on 2/12. This bill authorizes Kentucky to enter into a southern dairy compact with certain other southern states. The bill passed the House Agriculture and Small Business Committee on 3/19.

(F) South Carolina - H.3910, relating to Southeastern Interstate Dairy Compact passed House on 3/20.

Miscellaneous

(T/F/B) Kentucky - will end their regular session on 4/1.

(T/F/B) Maine - House and Senate-passed LD1910, grants the Treasurer of State voting rights on the Board of Trustees of the Maine State Retirement System, was sent to the Governor on 3/20 for signature.

(T/F/B) Maine - LD2082, makes qualifying an initiative for ballot more difficult by changing the time period for validity of an initiative application

from three years to one year, was passed in the House by voice vote on 3/24.
The measure now goes to the Governor.

(T) Missouri - An initiative petition, stating that adults who expose a child to second hand smoke are endangering the welfare of the child and provides that the Missouri General Assembly may enforce this with appropriate legislation, was filed with the Secretary of State on 3/18. Proponents have until 7/3 to gather 110,000 names on a petition.

(T/F/B) North Carolina - went into special session on 3/24 to deal with health care coverage for uninsured children.

Wisconsin - On 3/26, the regular session of the 1997-98 biennium ended. A special session of the Legislature will take place in late April and early May, with a yet undetermined calendar.