

The Miami Herald
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Senate leaders push cigarette tax for schools

By MARK SILVA
Capital Bureau Chief

TALLAHASSEE — In a series of secret, shuttle-style negotiations on the floors of the Senate and House Wednesday, Senate leaders pressed House leaders for an increase in cigarette taxes to raise money for public schools.

But House leaders, insisting on a slight increase in local property taxes for schools to generate more money for education, offered Senate leaders little encouragement for getting a cigarette tax approved in the House.

"It's probably unlikely to pass this year in the House," House Majority Leader Jon Mills, D-Gainesville, said after the talks. "They're all very bright politicians [in the Senate]. I think they've figured that out."

Senate and House leaders say they are close to agreement on other issues, such as eliminating some exemptions in the state sales tax this year.

The House wants to tax hair cuts, dry cleaners and other services. The Senate budget chairman says: "We're also looking at the possibility."

Negotiations will resume early this morning, when leaders from both sides assemble for a summit meeting in the Senate president's office.

They now have a three-ring circus of sometimes public, more-often secret, negotiations going on the new state budget, exemptions in the sales tax, and an overhaul of Florida's liability laws and insurance regulation.

The House's insistence on raising the school taxes required in each county by 20 cents for every \$1,000 of taxable property is "the big stumbling block" between House and Senate leaders in the

remaining nine days of the session, says House Appropriations Chairman Sam Bell, D-Ormond Beach.

"The more they [the Senate] look at it, the more they're going to see how reasonable it is," added Mills. "I don't think most counties will be able to get by on what" the Senate's budget for schools proposes.

The difference means a shortage of \$21 million for Dade County's schools and almost \$7 million for Broward County's schools in the Senate's budget, according to an analysis this week by the House budget staff.

"The Senate is trying to avoid raising property taxes for the citizens of this state," said Senate Appropriations Chairman Pat Neal, D-Bradenton, who offered House negotiators "a range" of new cigarette taxes — maybe two cents per pack, maybe three, maybe four — to pay for schools.

"I'm trying to find some more dollars," said Neal. "It's likely that the Senate will offer a cigarette-tax option."

Gov. Bob Graham has urged legislators to approve both the school-tax increase and an eight-cent-per-pack tax on cigarettes. The school tax increase can raise \$62 million statewide. Graham's cigarette tax is worth \$102 million.

Senate and House leaders squeezed an hour-and-a-half of fast-paced negotiations in between their business on the floors Wednesday morning, before half the House left town in the afternoon for a former member's funeral.

The floor talks featured House budget chairman Bell kneeling at the side of Senate Rules Chairman Ken Jenne, D-Hollywood; Senate budget chairman Neal sitting on the House Rules chairman's desk; and finally a white-suited Sen. Jack Gordon, D-Miami Beach, wandering over to the House to speak with anyone who would listen to his idea for an increase in local gas taxes.

"It's possible," House Majority Leader Mills said of Gordon's proposal to allow counties to raise gas taxes by as much as 5 cents to pay for road-building.

"I think there's sentiment for it," House Speaker James Harold Thompson, D-Gretna, said later of the local-option gas tax. "It's reasonable to expect the House to consider it, if the Senate passes it."

That's much like a message that Thompson says he sent through his lieutenants to the Senate in response to talk of raising cigarette taxes.

"The only way you can get proposals into the mix at this point is for one chamber to pass a tax proposal and fund a portion of the budget with it," said Thompson.

The Courier-Journal, Wednesday morning, May 28, 1986

Korean cigarette market may open to U.S. firms

By PHIL NORMAN
Farm Editor

U.S. Sen. Mitch McConnell said yesterday that the president of South Korea has promised policy changes that eventually could open up a \$500 million-a-year cigarette market for the United States.

McConnell, a Kentucky Republican, said the changes could help

Kentucky farmers who raise burley tobacco, a major ingredient in U.S. cigarettes.

He said in a telephone call from South Korea that he was informed of the pending changes in meetings with Chun Doo Hwan, president of the Republic of Korea.

Chun plans to ask the National Assembly next month to do away with

(Cont'd)

The Miami Herald
Saturday, May 31, 1986

Senate approves 5-cent hike in Florida's tax on cigarettes

By PAUL ANDERSON
And MARK SILVA
Herald Capital Bureau

TALLAHASSEE — Hoping to close its budget gap with the House, the Senate voted 26-10 Friday to increase the state cigarette tax by a nickel per pack — four cents for schools and a penny for social services.

Four cents were expected. The Senate Finance and Tax Committee approved the bill (CS-S 752) that way on Thursday.

The extra penny was added on the floor Friday by Sen. Jack Gordon, D-Miami Beach, and others who said they wanted more for programs to help victims of Alzheimer's, poor pregnant women, needy pre-schoolers and the mentally ill.

"All of us can feel a lot better this weekend that we're doing better by our neediest people and our young people," Gordon told his fellow senators.

The increase would hike the state cigarette tax to 26 cents per pack. There is an additional federal tax of eight cents per pack.

Each penny raises about \$13.6 million a year for the state, according to state analysts.

The Senate plans to use its first four cents to boost spending for public schools. Senate leaders hope the House will accept the cigarette tax in lieu of its proposed increase in property taxes for schools.

The House wants to raise real estate taxes by 20 cents for each \$1,000 of assessed value.

Senate President Harry John-

ston, D-West Palm Beach, said he isn't ruling out additional taxes, but he hopes the cigarette tax will be enough to adequately finance schools next year.

House Appropriations Chairman Sam Bell, D-Ormond Beach, said it might make for a deal, depending upon the funding formula for schools that is eventually settled upon. Early proposals leave large urban counties like Dade, Broward and Palm Beach millions of dollars short.

"That could probably do it, if we can work out the relationship between the other taxes," Bell said.

The House also proposes to close \$26 million worth of sales-tax exemptions this year, including exemptions for swimming pool chlorine and services from barbers, beauty parlors, dry cleaners and laundries. Senate leaders don't want to go with the hair-cutting exemptions, although a deal was being negotiated.

Bell said he's uncertain, though, whether the House membership will go along with the cigarette tax increase.

"Whether it will pass is a question we haven't put to our members," he said shortly after the Senate vote. "It's something we'll have to count votes on."

Gov. Bob Graham said the Senate vote represents "substantial progress ... It's extremely encouraging as we move toward an acceptable budget that deals with the needs of the people of Florida."

But he said he still wants both a

cigarette tax increase and a property tax hike for schools, and he'll spend most of the weekend lobbying legislators for them.

"If we take what the House has done and add to it what the Senate did today ... we're getting where we need to be," the governor said.

Senate leaders, facing heavy pressure from advocates for social services because of their tight "no-new-taxes" approach, were gleeful about Gordon's plan for another penny.

"This is a salvation for us," said Senate Rules Chairman Ken Jenne, D-Hollywood. "It shows we have compassion for Alzheimer's victims and the rest."

But it isn't really enough, said Dick Batchelor, a former state representative who now lobbies on behalf of children's groups.

"It brightens my day, but it doesn't make me happy yet," he said.

Here's how the Senate voted on the cigarette tax hike:

DEMOCRATS FOR: Castor, Tampa; D. Childers, West Palm Beach; Crawford, Winter Haven; Dunn, Ormond Beach; Fox, South Dade; Frank, Tampa; Gersten, South Miami; Girardeau, Jacksonville; Gordon, Miami Beach; Hair, Jacksonville; Jenne, Hollywood; Johnston, West Palm Beach; Kirkpatrick, Gainesville; Malchon, St. Petersburg; Mann, Fort Myers; Margolis, North Miami; Meek, Miami; Neal, Bradenton; Plummer, South Miami; Vogt, Cocoa Beach; Weinstein, Coral Springs.

DEMOCRATS AGAINST: Barron, Panama City; W.D. Childers, Pensacola; Grant, Madison; Hill, Mialeah; Peterson, Lakeland; Thomas, Quincy; Thurman, Dunnellon.

DEMOCRATS NOT VOTING: McPherson, Fort Lauderdale; Stuart, Orlando.

REPUBLICANS FOR: Deratany, Indiantonic; Grizzle, Belleair Shores; Jennings, Orlando; Langley, Clermont; Myers, Stuart.

REPUBLICANS AGAINST: Beard, Seffner; Crenshaw, Jacksonville; Kiser, Palm Harbor. **REPUBLICANS NOT VOTING:** Johnson, Sarasota; Scott, Fort Lauderdale.

Chicago Tribune, Friday, May 23, 1986

2 bills shot down in smoke

By Tim Franklin
and Daniel Egler
Chicago Tribune

SPRINGFIELD—The powerful tobacco lobby scored two major legislative victories Thursday, snuffing out a controversial bill to limit smoking in public places and dousing proposed taxes on cigars and pipe and chewing tobacco.

The tobacco industry's victories came amid a flurry of key votes as the legislature hurried to meet its first major deadline of the spring session Friday, when lawmakers must pass bills out of their own chamber.

For the second year in a row, the House defeated a highly publicized measure that would have restricted smoking in public places, thwarting what proponents had called a growing silent majority of offended by breathing the smoke of others.

After a long and spirited debate about how much government should meddle in people's lives, the House defeated the proposal 53-54, well short of the 60 votes needed for passage. The bill received only 50 votes last year.

Rep. Robert Terzich [D., Chicago], a nonsmoker and sponsor of the anti-smoking bill, said after the vote that he would not attempt to revive the issue later this session, surrendering to the influential tobacco and business lobbyists who fervently worked against the bill.

"How anybody could be against clean air is beyond my comprehension," Ter-

zich said. "The bill did nothing but provide smokers and nonsmokers rights. It didn't deny anybody from smoking, and all it did was simply give people their own territory to breath clean air."

Terzich vowed to resurrect his measure next year, but he said it will take an outpouring of public opinion from the "silent majority" of nonsmokers to overcome the well-financed and visible tobacco lobby.

About 70 percent of the public does not smoke, he said.

Proponents of the bill have argued that studies show a definite link between cancer and "secondhand smoke," or the smoke breathed in by nonsmokers.

The bill, however, produced a chorus of opposition from lawmakers who argued that government should not legislate where people smoke. They also argued that the law would be a nightmare to enforce.

In the Senate, a proposal to levy a 20 percent tax on the wholesale cost of smoking materials fell 8 votes short of the 30 it needed for passage.

"If we're going to tax cigarettes as heavily as we do, we should impose some form of tax on other types of tobacco,"

said Sen. Dawn Clark Netsch [D., Chicago], sponsor of the measure.

Sixty percent of the estimated \$10 million a year the tax would raise was to be earmarked for domestic violence shelters for battered women in the state.

"The funds for domestic-violence shelters are absolutely essential," said Senate President Philip Rock [D., Oak Park]. "The fact is that this is the only tax bill in town. One way or another, there is going to be money for that program. If we can't raise new revenues, we will have to rearrange old revenues and programs."

As the legislature hurried toward the Friday deadline, lawmakers also:

USA TODAY • WEDNESDAY, MAY 28, 1986 •

HEALTH AND BEHAVIOR

REPORTS ON THE SCIENCES, PLUS EDUCATION, RELIGION AND LAW

Stars are lighting up more often on television

Prime-time TV characters are smoking more, says a study in the June *American Journal of Public Health*.

Contrary to earlier studies suggesting a decline in on-TV smoking, researchers found 107 smoking acts in 115.5 hours of programming — approximately one per programming hour. Other findings:

- Male smokers outnumbered females 3 to 1.
- 70 percent of smokers were cast in "strong and enduring" roles, with the remainder presented as "bad" or criminal.
- Almost two-thirds of smokers were lead characters, such as Alexis (Joan Collins) on *Dynasty*.

Administration Steps Up Its Campaign For Broad, Product-Liability Legislation

By ANDY PASZTOR

Staff Reporter of THE WALL STREET JOURNAL

WASHINGTON—The Reagan administration is stepping up its campaign for broad, product-liability legislation a few days before the Senate Commerce Committee begins drafting a less sweeping bill.

President Reagan today is slated to make his first major speech urging speedy congressional action to deal with the matter. Administration officials said Mr. Reagan's address to the U.S. Chamber of Commerce is intended primarily to highlight the need for liability reform and to buttress business groups' efforts to sharply limit damage awards.

By having Mr. Reagan personally speak out on the controversial issue, some advisers apparently hope to increase public pressure on lawmakers and, to some ex-

tent, influence the Commerce Committee's work on a bill, which is scheduled to start Tuesday.

Members of the committee have been negotiating over possible compromise legislation for the past two weeks, and some aides said they expect the panel to vote out a bill by early July. But disagreement remains over whether and how to cap certain types of awards, especially for defective products alleged to have caused the death of a family member, the loss of a limb or disfigurement.

Limiting Awards

Despite administration lobbying, the committee isn't expected to go as far in limiting awards as the White House and Attorney General Edwin Meese have advocated.

In what one administration official described as an unusual, "high-level pep rally," the president's call for liability revision is expected to be echoed by Mr. Meese and Commerce Secretary Malcolm Baldrige, both of whom are scheduled to address the chamber group today.

Separately, a national consumer group opposed to stringent caps on damage awards released a study contradicting administration and insurance industry assertions that dramatic and unjustifiable increases in jury awards are one of the main causes of skyrocketing premiums and decreasing availability of some kinds of liability coverage.

The report by the Consumer Federation of America concludes that "far from running wild, juries have adjusted their awards to reflect the basic social and economic changes that have taken place" since the 1970s.

Consumer Group's Report

The increases in damage awards, the report argues, "are consistent with the increasing output of society and the value placed on life." If inflation, economic growth and other factors are taken into account, according to the study, there has been only "a modest increase" of between 15% and 20% in medical malpractice and wrongful death awards in the past decade.

The administration has tried "to make level-headed jurors look irresponsible" by ignoring "how expensive it has become to treat and overcome severe injuries in today's world," asserted Gene Kimmelman, the federation's legislative director.

CHICAGO TRIBUNE MAY 28 1986

Lobbyists 2, nonsmokers 0

There were two bills in the Illinois legislature that the tobacco industry especially disliked. One before the House would restrict smoking in public places; a Senate bill would fund domestic-violence shelters by levying a 20-percent tax on the wholesale cost of smoking materials. The industry made known its displeasure with these bills, and both were killed in their respective chambers.

The House bill was the better test of strength, being a highly publicized issue making its second appearance before the legislature. It might have seemed a pretty good bet; according to sponsor Robert Terzich (D., Chicago), about 70 percent of the public does not smoke and presumably does not want to breathe second-hand smoke. The bill allowed both smokers and nonsmokers their own territory, while giving more space to those who take their air straight. Said Mr. Terzich, a nonsmoking fireman: "How anybody could be against clean air is beyond my comprehension."

But after heated debate the bill failed 52-54

well short of the 60 votes needed for passage. The Senate bill lacked 8 of the 30 votes required. The results were textbook examples of the way skilled industry lobbyists protect their employers' interests.

Part of the technique is slanting the question so legislators will give the desired answer. Opponents of Mr. Terzich's bill, for example, do not ask whether smokers should be required to curb their habit for other people's benefit. They ask, "Should government meddle in people's lives?" This, of course, prompts the answer, "No." But it is the wrong question—unlike the seat-belt law, this bill does not pre-empt anyone's individual decision.

Proponents point out that the House bill got three more votes this year than last, and speak hopefully of a growing "silent majority" of nonsmokers. But nonsmoking is not an industry, and as long as the majority stays silent, its numbers won't count for much.