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1991 LEGISLATIVE ANALYSIS ALABAMA

The hot topic this year is the Governor's race. According to the latest polls, challenger Paul Hubbert trails incumbent Guy Hunt by only 4 percentage points. The election of a Democrat to the Governor's seat could end some of the strife that has been apparent between Governor Hunt and the legislature during the past four years. The legislature will remain overwhelmingly Democrat, and its leadership is not expected to change.

The state is almost certain to face a deficit this year, and the industry's legislative consultants fully expect a tobacco tax increase to be proposed. We will have to be extremely tactful with our levelized tax proposal, to insure that a state tax increase is not passed without levelization.

Although the state wholesalers' association claims to support a levelized tax bill, several individual wholesalers will oppose this issue. The county and municipal association is strong when it comes to this issue because levelization would violate "home rule". However, the precedent has been set for a levelized tax by the beer industry. The current situation is a nightmare for the tobacco industry, with at least 339 cities and counties having local tobacco taxes, and it must be changed. Firefighting districts now have the same authority to enact local tobacco excise taxes.

In order to avoid the confusion we faced on our anti-discrimination bill last session, we intend to initiate a stand-alone bill rather than piggy-backing onto someone else's bill. This should enable our friends in the legislature to pass this bill with a minimum amount of difficulty.