

MEMORANDUM

TO: HURST MARSHALL
FROM: STAN BOMAN
DATE: APRIL 27, 1985
RE: KANSAS HOUSE BILL 2512

Yesterday, April 26, the Kansas legislature passed HB 2512, which will effect an 8 cent per pack increase in the state's cigarette tax. The senate voted 23 - 16 in favor of the bill and the house vote was 67 - 58 for passage (copies of official roll calls are being sent directly to your office by Bill Mitchell). Two final changes were made in the bill by the senate before its enactment. They were: changing the tax increases effective date from 7/1/85 to 10/1/85; and retaining wholesaler's discount rate for stamping at 2.65 percent instead of reducing it to 1.77 percent.

Up until the senate took its final vote, there appeared to be a good chance that, HB 2512 would be rejected. Twenty-two senators had indicated their unwillingness to support the measure which would have left proponents three votes short of the 21 needed for passage. The bill passed only because of extreme pressure put on legislators by the legislative leadership and particularly by House Speaker Mike Hayden. A few examples of Hayden's pressure tactics were;

- 1) Refusal to act on a senate-favored property tax reform bill unless HB 2512 were passed;
- 2) Threatening individual senators with elimination of funds for institutions and projects in their districts unless they supported HB 2512;
- 3) Going to great lengths to make HB 2512 a partisan issue, thereby using party discipline among Republican legislators.

Hayden and Senate President Pro Tem Bob Talkington also contended that revenues from HB 2512 were necessary to fund several politically popular programs. These included a state inter-library loan project subsidies and interest buy-down programs for farmers, in-service training programs for the state's teachers, and mental health programs in effect throughout the state. In the end, these pressures proved sufficient to crumble the tobacco industry's coalition against the cigarette tax increase.

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