

*Texas*

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**M E M O R A N D U M**

DATE: April 30, 1990

FROM: Jerry Hall

TO: Bob Pruett, Gaylord Armstrong and Lisa Barsumian

SUBJECT: Final report on Editorial Board Tour (The Saga Continues)

As promised, here are some observations on the final half of the editorial board tour which was completed several days ago by Dr. Mike Davis and myself. It picks up with our 10th stop. A final summary will conclude the report.

(10) The San Antonio Express-News stop consisted of a meeting with Sterlin (no g) Holmsley, the chief editorial writer and editor of the editorial page. Sterlin quickly brushed aside the tobacco issue and went almost immediately into a personal "lecture" about how the state's tax structure is "in one hell of a mess." He expressed interest in the materials we left, particularly in the census tract data. I think we have diverted him from backing a cigarette tax.

(11) The San Antonio Light meeting was with LaNelle Burkett, editor of the editorial page. She also brought in her assistant editor and a news reporter. This was not one of our best meetings because she had a hard time getting away from the health issue and "why shouldn't cigarettes be taxed more and the proceeds used for research and health related issues?" She was for a dedicated tax along those lines, but, as at the other paper, she backed away from "doing something immediately" because the tax picture was too cloudy.

(12) At The Corpus Christi Caller-Times editorial page editor Jerry Norman pointed out they already had endorsed a cigarette tax but did admit it was an early endorsement which he might want to re-think because of the obvious fact that he had not considered how regressive it would be -- his interest was piqued because of the evidence that lower income groups were hardest hit.

(13) Our next stop was The El Paso Times where Carol Vasquez, associate editor of the editorial page, said the main thing that paper was interested in was seeing a complete re-working of the entire tax base. She had no problems with an income tax, but did admit that the public was "probably not ready to buy it." She was well aware of the "bootlegging" problems with cigarettes as

were all of the towns we stopped at along the border with Mexico. Once again, the census data was well received.

(14) Terry Scott Bertling, managing editor of The El Paso Herald-Post took the material to pass along to the editor of the editorial page, Charles Edgrin, who had been called away on personal business. She was sympathetic, pointing out that she has just completed a term as president of the Associated Press Managing Editors for Texas and that taxes and redefining the tax structure was the big topic at the annual APME meeting a couple of months ago. "We need to do it," she said.

(15) In all of the tour we didn't find a more receptive editor than Dan Henderson of The Valley Morning Star at Harlingen. An oldtimer, a reformed smoker and one very set in his ways, Dan quickly told us that he did not like sales taxes period. This paper, as are several others in the Valley and in the Panhandle, is part of the Freedom Chain of Hoiles Newspapers which started in Orange County Calif. -- which is to say they are ultra-conservative. Anyway, Dan was very vocal about the need to abolish all sales taxes. He agreed one hundred per cent that additional cigarette taxes are not needed. He indicated he would write on the subject.

(16) Lavis Laney, editor of The Brownsville Herald always is very non-committal, and she was on deadline when we hit there. She said, however, that sales taxes "hit poor people" and promised to study the data.

(17) At The McAllen Monitor editor Jack King basically agreed with the position but he likes to argue and got into the health issue. However, here is another strong advocate for restructuring the tax base. Despite the arguing, I believe Jack would come down on not raising the "sin taxes."

(18) We talked to Jesse Trevino, senior editorial writer at The Austin American-Statesman and the very next day he came out strongly for tax restructuring! However, to be perfectly honest, I doubt our visit had anything to do with it. He and all of the editorial staff at the paper here have been "on" the Governor for weeks over the veto, "lack of leadership" and strongly for a complete overhaul of the tax structure in Texas. Jesse is anti-smoking, but he has strong feelings about the sales tax.

(19) The final stop on the tour was at The Laredo Times. It probably was the worst. Editor Odie Arambula "stood us up" after making a firm commitment to me on the telephone that he would be there and set up a "full meeting." Instead we met with a young reporter who was not sure what an excise tax is. Mike Davis spent more than 30 minutes trying to explain it and it may be that we did some good. He said he would write the visit as a "news story" but I never did see anything in the clippings. He was impressed with the census tract data and might be able to turn that into a story also. It may not be too late. He may still write something.

## SUMMARY

These were all the papers we were scheduled to hit. However, I talked to friends of mine at the papers in Lubbock, Amarillo and Midland. The editor at Lubbock was (and is) adamant that increases are needed in both the cigarette tax and beer and liquor. The others have not approached the subject (or at least, that's what they said.)

It is difficult to judge concrete results of most editorial board tours, unless they are on a "popular" topic. What I mean by that is that often you never know if you stopped an "anti-issue" editorial just because you brought in new facts. I honestly believe, however, that we did make several of these people we talked with have second thoughts about just jumpinig out and endorsing an increase in taxes on "sin."

As I mentioned in the first summary, tobacco is a hard sell right now. The most intriguing thing to me about this tour was the overwhelming support for a restructuring of the Texas tax structure. The media in Texas is on the verge of leading a full-scale revolt in that direction. Of course, the public may be on the verge of a full-scale revolt on new taxes period. Certainly, those newspaper writers who have thought this thing through are dead solid against property taxes. Does that mean the media will lead the fight for an income tax? I doubt it. As I said in the summary at the half-way mark, there is a great deal of uncertainty out there right now.

Thanks for this opportunity, and if something else comes up keep Jerry Hall & Associates in mind.

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