Excessive Alcohol Consumption Is Expensive

- Excessive drinking cost Michigan $8.2 billion in 2006
- Michigan government paid $3.5 billion (43% of the total cost)
- It’s been estimated to cost $2.16 per drink and up to $814 per person.
- Binge drinking and underage drinking combined made up 84% of these costs, adding up to over $836 million.
- These costs included ambulatory care and treatment services, productivity losses (such as absenteeism or premature death), and alcohol related motor vehicle crashes.

We can create a healthier and safer Michigan by raising the beer tax.

Research demonstrates that increasing the tax on beer will reduce:

- substantial reductions in underage drinking
- reductions in the consumption levels of heavy drinkers
- alcohol-impaired driving and alcohol-related traffic crashes and deaths
- a reduction in sexually transmitted infections
- incidents of violent crime, including homicide, assault, robbery, and rape
- mortality from liver cirrhosis
Since 1966, Michigan has imposed a tax of $6.30 per 31-gallon barrel.

- This equates to about 1.9 cents per 12-ounce can or 20 cents per gallon.

- As of 2014, there were 27 states with a beer tax higher than Michigan.
Michigan citizens support raising the tax on beer.

EPIC-MRA conducted a 2016 statewide poll asking respondents if they would support or oppose legislation to increase the tax on beer?

- Seventy five percent of these respondents strongly or somewhat supported legislation to increase the tax on beer if the extra revenue raised were designated for substance abuse prevention and treatment programs.
- Every category of respondent [gender, political party (including tea party), region of the state, and age] favored an increase.
HB 5873 – Rep. Thomas Hooker

Raise the excise tax on beer from $6.30 to $21.70 a barrel.

• This will increase the tax on a 12 oz. beer by about a nickel to about 6.6 cents.

• There will be seven states in the U.S. with a higher tax than Michigan.
HB 5873

Would index the beer tax to inflation.

• The Michigan beer excise tax was last changed in 1966 and has lost 86% of its value.

• If the tax had kept pace with inflation, instead of 0.20 per gallon, it would be $1.42 per gallon. A can of beer would cost about eleven cents more.
HB 5873

Earmark 100 percent of the increase in beer tax revenues to go to prevention, treatment, and recovery support services.

- Since 1995 general fund revenue allocations to substance use disorder services have dropped from 34 million to 16 million (2013).

- In 2014, the tax on beer in Michigan generated about $39 million dollars with the proceeds going to the general fund.
HB 5873

- Under this proposal, the beer tax would generate approximately $60,000,000

- It would also generate $3,010,000 more in sales tax, which would go to the general fund along with the excise and sales tax that has been generated since 1966.
HB5873

- OROSC 60%
- State Police 1%
- OHSP 3%
- MLCC 4%
- SCAO – Drug, DWI/Sobriety, Veterans Courts – 4%
- Dept. of Corrections – 3%
- Children’s Trust Fund – Early Childhood, Prevention and Education – 5.5%
- Military and Veteran Affairs and their families (Prevention, treatment, recovery support) – 4%
- DNR – Enforcement .5%
HB5873

- Secretary of State for Ignition Interlock Program – 1%

- Dept. of Education for model curriculum and counseling services to support intervention, treatment, and recovery support – 3%

- Behavioral Health and Developmental Disabilities Administration to prevent Fetal Alcohol Spectrum Disorder

- HHS to contract with governmental or private organizations that provide substance use disorder prevention services or substance use disorder treatment and rehabilitation services, or both, 7%.
What You Can Do:

- Contact Ray Franz, and tell him whether you support the bill or not. 517-373-0825.

- Contact your State Representative and tell him/her whether you support the bill and why.

- Educate other people and organizations about HB 5873 (presentations, letters to the editor).

- Complete an individual and/or organizational commitment form.
The beer and wine license limit would be reduced to 1 store for every 1,000 people (currently 1:3,000).

If a beer or wine retailer is more than 2 miles away from another beer or wine retailer, the population quota doesn't matter.

If the beer and wine seller is a gas station, there are NO DISTANCE OR POPULATION RESTRICTIONS FOR A LICENSE TO SELL BEER AND WINE for the first 60 days after the bill is passed.

FOR MORE INFO CONTACT BRYAN HALPIN, 209-409-4141, bhap67@gmail.com.
Questions/Comments

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