



MPA – BURNING ISSUES CONFERENCE

Thursday, November 10, 2016

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
- ✓ a reduction in sexually transmitted infections
- ✓ reductions in the consumption levels of heavy drinkers
- ✓ incidents of violent crime, including homicide, assault, robbery, and rape
- ✓ alcohol-impaired driving and alcohol-related traffic crashes and deaths
- ✓ 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
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- 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.

SB 929 – Arlan Meekoff

- 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

Mike Tobias 517-803-5586

Marie Hansen 517-230-7884

michiganalcoholpolicy@gmail.com

MichiganAlcoholPolicy.org