Building a Statewide Charge for Harm Alliance

A campaign to hold Big Alcohol Accountable

Charge for Harm!

TELL BIG ALCOHOL TO PAY ITS FAIR SHARE

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alcohol industry watchdog

Who is Marin Institute?

- National leader in alcohol policy since 1987
- Mission to reduce alcohol harm in communities
- Monitor alcohol industry marketing and lobbying tactics
- Science-based approach to policy and advocacy
- Pricing is the most influential factor in alcohol consumption

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Charging for Harm Alliance

- **Mission:** a statewide effort to make the alcohol industry accountable for the harms and the financial cost alcohol causes our state, cities and counties.

- **Goal:** to make the alcohol industry pay its fair share for the cost its products cost by way of a fee or a tax increase.

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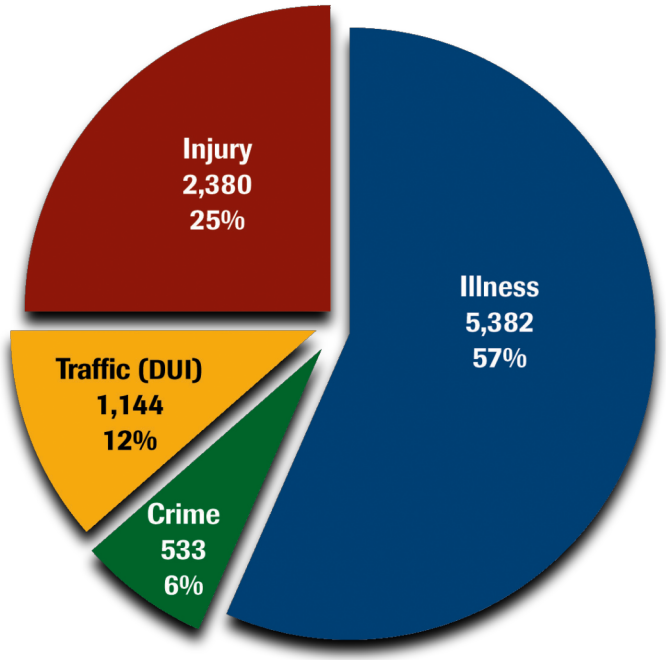
The Harms of Alcohol in California

Deaths caused by:

- **Illness: 5,382 (more than half)**
- **Injury: 2,371**
- **Traffic Collision: 1,144**
- **Violent Crime: 533**

One person dies every hour due to alcohol use



Total: 9,439

Alcohol-related Deaths 9,439

(Figures for 2005)

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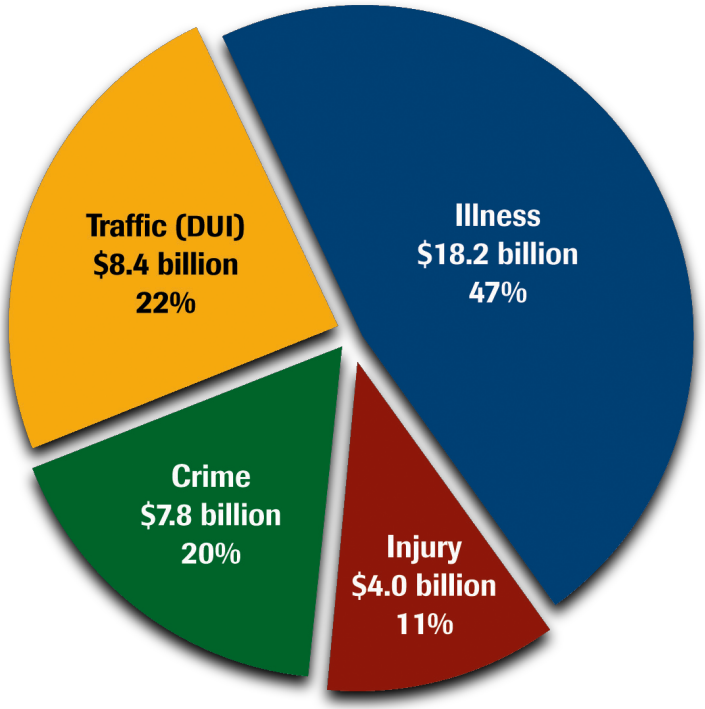
The Cost of Alcohol in California $38 Billion

- Roughly **$1,000 per California resident** or $3,000 per family
- A cost of **$2.80** per drink consumed
- Current taxes are only **8 cents** per drink



Total: $38.4 billion

[Additionally, $48 billion in quality of life costs.]

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Breakdown of Costs

Problem	Deaths	Incidents	Total costs	Government costs*
Illness	5,382	44,151	$18.2 billion	$1.4 billion
Traffic (DUI)	1,144	186,975	$8.4 billion	$0.7 billion
Other Injury	2,380	41,598	$4.0 billion	$0.4 billion
Crime	533	649,204	$7.8 billion	$5.8 billion
Total	9,439	921,928	$38.4 billion	$8.3 billion

$5.4 billion in medical costs

$7.8 billion in criminal justice and highway patrol costs

$25.3 billion in lost productivity

22% ($8.3 billion) of all costs fall on government finances

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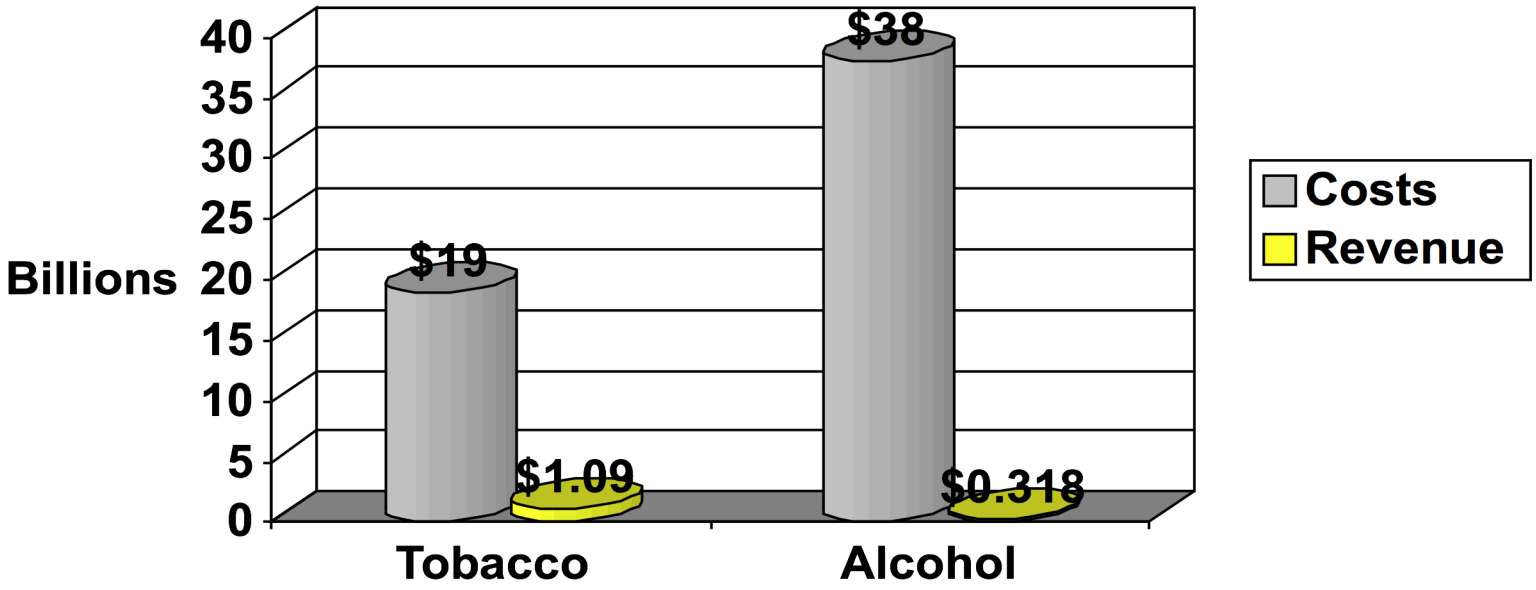
Alcohol v. Tobacco Tax Revenue

Tobacco taxes are 6.5 times more effective than alcohol taxes in mitigating harm.



(2005-06)

Max W, Rice DP, Zhang X, Sung H-Y, Miller L (2002)
The Cost of Smoking in California, 1999, California Department of Health Services
Rosen SM, Miller TR, Simon M. (2008)
Alcoholism: Clinical & Experimental Research. Vol 32, No 11

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The formation of the Charge for Harm Alliance

- The cost report gave us the foundation to build an alliance
- We conducted a survey to measure the interest other agencies in the state had in creating alcohol policy change
- We had community town halls to discuss ways to reduce both the harms and cost of alcohol

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We have strong public support for raising taxes and fees

Public Policy Institute of California:

- **85% of California residents supported a nickel a drink tax**
- **80% of Republicans supported**
- **1990 polls showed people more likely to support tax or fee increases when they know the money will be directed to alcohol-related programs**

PPIC Statewide Survey: Californians and Their Government. San Francisco, January 2009.

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What are the advantages of forming a statewide alliance for alcohol policy change?

- We can win on an issue together that we cannot win alone
- We build a power base rooted in community
- It magnifies the influence of individual participating organizations
- Our resources are increased

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Who joined the alliance?

- It has a diverse membership base composed of both traditional and non traditional partners affected by alcohol
- Agencies with differences in staff capacity and resources
- Hospitals, medical associations, LGBT organizations, prevention & treatment providers, school boards, seniors and labor to name a few.

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Our Unifying Issue:
Charging for Harm!

- **Assembly Member Jim Beall introduced legislation placing a fee on alcohol at the state level.**

- **AB1694 promised an additional revenue for California of $ 700 million dedicated to treatment services, emergency room, trauma care, hospitalization, rehabilitation, criminal justice, prevention, education and research.**

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How to shape a statewide alliance campaign

- Choose an issue - that will bring real concrete improvements in people's lives
- Launch your campaign- & make your own media
- Educate the public and community - empower the community to take action
- Lobby / educate legislators - and picket them also
- Have community direct action rallies in support
- Build an alliance that can play a political role and can alter corporate influence with community power

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Media Advocacy

1. Op-eds,letters to the editor
2. Press conferences, editorial board meetings
3. Newsletters or other publications
4. Website and blog postings
5. Paid advertising
6. Web based videos / audio

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Challenges – Influence of Alcohol Industry

- Industry spent $30 million to defeat 1990 tax initiative
- Several legislative attempts failed since the penny-per-drink increase in 1991
- Big Alcohol donated $3.5 million to CA politicians in 2006 and spent additional $3 million on lobbying
- Big Alcohol mobilizes the Chamber of Commerce, Committee on Jobs, small business groups, wholesalers, retailers, advertising industry, and the restaurant and hotel industry

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San Francisco Alcohol Mitigation Fee

The ordinance:

- **is designed to reimburse the City for alcohol harm costs**
- **imposes a fee of $.076/oz of ethanol (roughly 5 cents per drink) on alcohol wholesalers and manufacturers selling direct to consumers (may be per gallon)**
- **says fee may only be used for unreimbursed alcohol-related costs to City and program administrative costs**
- **San Francisco government found through a nexus study that it bears $17.7 million in unreimbursed alcohol-related costs (conservative estimate)**

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Cost of Alcohol Use in San Francisco

- Department of Public Health
  - Treatment and Prevention Services ($10.1 m)
  - San Francisco General Hospital Services ($1.8 m)
  - Sobering Center ($1 m)
  - Jail Detox / Sheriff ($.6 m)

- Fire Department
  - Emergency Medical Services Transport ($4 m)

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Myths of the Alcohol Industry on Fees

A fee is really a hidden tax

Legal in CA to mitigate harms

A fee penalizes everyone for "irresponsible drinkers"

We all currently pay the cost

The fee will result in massive job losses

SF City Controller's report showed *zero* net job impact

Don't buy the alcohol industry scare tactics !

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In summary:

A strong alliance can broaden its scope of influence at different political levels

- The state level: supporting Ab1694 / 5 cent a drink fee
- Local city and county level: introducing a local alcohol mitigation fee
- The state budget process: having an alcohol fee be included as part of the CA budget proposal
- Create a state initiative: like the 1990 ballot initiative proposing 5 cents a drink tax increase

- **Build an alliance that can play a political role and can alter corporate influence with community power**

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