



FOR IMMEDIATE RELEASE

Contact: Michael Scippa 415/257-2490
Jorge Castillo 415/257-2488

Nickel a Drink is the Change We Need

Marin Institute Applauds Governor Schwarzenegger's Alcohol Tax Increase Proposal

Long Overdue Tax Increase Could Ease California's Budget Deficit and Mitigate Alcohol-Related Costs

SAN RAFAEL, CA (November 6, 2008) – Public health advocates commended Governor Schwarzenegger today for proposing a nickel a drink tax increase on beer, wine, and distilled spirits. The new funds, more than \$878 million over the next year and a half, will help reduce the state's budget shortfall while providing critical support to programs that reduce alcohol-related problems.

"A nickel a drink -- It's the change we need to fix the budget," said Bruce Lee Livingston, executive director of Marin Institute, the San Rafael-based alcohol industry watchdog. *"We are elated and completely support the Governor on this long overdue proposal,"* Livingston added.

The last alcohol tax increase in California was in 1992, and was only a penny on a glass of wine and two cents per can of beer and shot of spirits. Since that time, rising inflation has led to a 49% net decrease in state alcohol taxes. Meanwhile, alcohol-related problems have increased dramatically, costing the state and its citizens more than \$38 billions dollars annually in healthcare, criminal justice, addiction treatment, lost productivity, and myriad other costs.

"Each year thousands of lives in California are cut short or forever damaged due to alcohol," said Michele Simon, JD, MPH, Marin Institute's research and policy director. *"For too long, the alcohol industry has avoided paying its fair share of taxes. Marin Institute supports alcohol tax increases as one of the most important policies to reduce high risk consumption, especially among youth."*

Last January, Marin Institute proposed a 25-cent per drink increase to help the budget shortfall, which would have generated almost \$3 billion in revenue. For additional information on alcohol-related costs and taxes please visit www.marininstitute.org

###

Marin Institute
24 Belvedere St., San Rafael, CA 94901