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California Assembly Health Committee Rejects \$700 Million Alcohol Fee Bill

SACRAMENTO, CA (March 24, 2010) --- While Governor Schwarzenegger and the California legislature continue to blindly stumble on the brink of an ongoing \$20 billion budget hole, the Assembly Health Committee failed this week to pass a \$700+ million alcohol mitigation fee program to help reduce the deficit, maintain essential support services, and create new jobs.

"How in good conscience, with more than 80% of their constituents approving a nickel-a-drink fee on Big Alcohol, can these public servants vote no or even worse abstain on this bill?" asked Bruce Lee Livingston, executive director of Marin Institute, the alcohol industry watchdog and AB 1694's sponsor. *"It's a travesty; whose interests are they representing?"*

Authored by Assembly Member Jim Beall (D-San Jose), AB 1694 would create the *Alcohol-Related Services Program* to help cover just some of California's annual \$38.4 billion in alcohol-related trauma care, hospitalization, treatment, prevention, and criminal justice costs. The measure would fund new jobs while preserving essential services.

The Assembly Members who failed to vote yes on the bill included Hector De La Torre (D - South Gate), Ed Hernandez (D - Baldwin Park), and Michael Eng (D - Monterey Park). Each represents districts in Los Angeles County where alcohol-related harm is greater than anywhere else in the state.

"Once again the abstainers put the brakes on a long-overdue alcohol fee," said Michael Scippa, advocacy director at Marin Institute. *"But since this bill exempted 79% of all wineries, the new excuse for not supporting became 'we shouldn't solve funding issues piecemeal but instead address the issue within a general budget fix'. This is totally disingenuous as they know how impossible it is within the current legislature to pass any new tax, let alone a budget."*

More than 80 statewide agencies and associations representing healthcare, labor, youth, emergency response, enforcement, treatment and prevention continue to advocate for passage of the bill. This *Charge for Harm Alliance* has been building since early 2009 and is committed to holding industry responsible for the pervasive harm and cost of alcohol in their communities.

"AB 1694 is needed because alcohol is a drug, period," stated John O. Whitaker, Jr., C.A.T.C., A.W.A.R.E. Liaison/Alumni Coordinator Tarzana Treatment Centers, Inc. *"80% of alcohol is purchased by 20% of the population." Big Alcohol depends on pushing their drug to these vulnerable people to keep them 'hooked' to make a profit. \$38.4 billion in damages must be mitigated somehow."*

The last time alcohol taxes were raised in California was 1992. AB 1694 will be re-considered in the Assembly Health Committee on April 6.

To see how the committee voted March 23rd, visit ChargeForHarm.org.

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