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
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
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.
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

Alcohol-related Deaths 9,439

(Figures for 2005)
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

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

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

$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
Alcohol v. Tobacco Tax Revenue

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

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
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
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
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.
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.
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
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
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
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)
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 ($0.6 m)

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