

Evidence-Based Environmental Strategies to Reduce Alcohol Harms: Raise the Price of Alcohol

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Sindy Bolaños-Sacoman, MPH

Shelley Mann-Lev, MPH

Marion Ortega, MPH

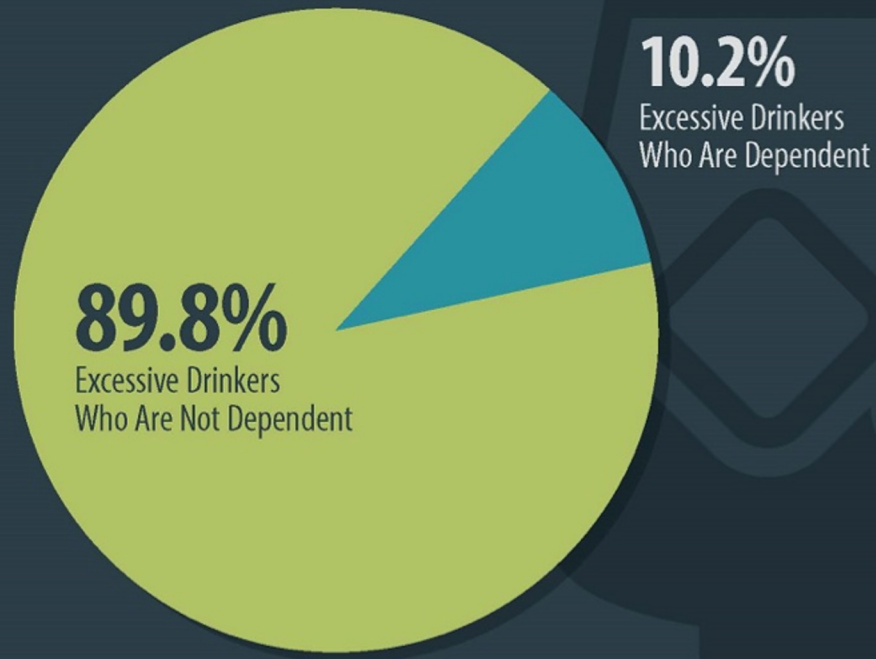
Jennie Wei, MD



What is Excessive Alcohol Consumption?



9 out of 10 excessive drinkers are **not** alcohol dependent.



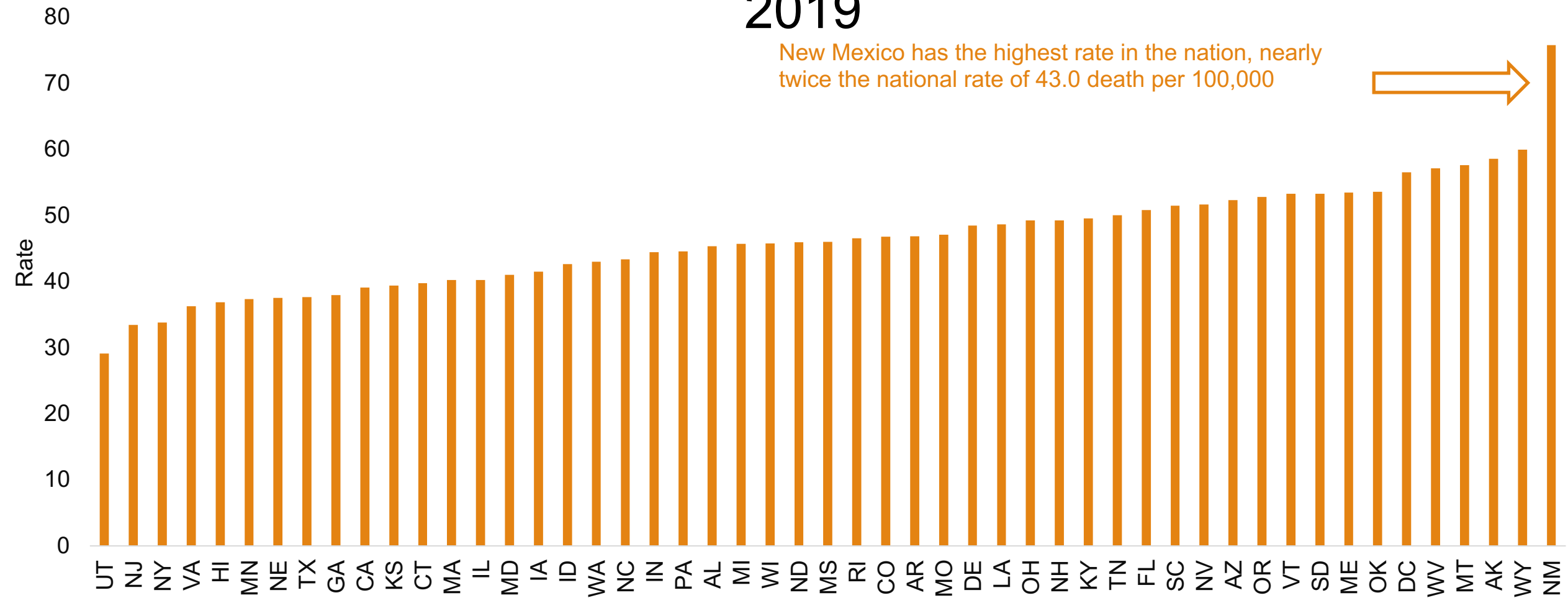
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PREVENTING CHRONIC DISEASE
PUBLIC HEALTH RESEARCH, PRACTICE, AND POLICY

www.cdc.gov/pcd/issues/2014/14_0329.htm
www.cdc.gov/alcohol

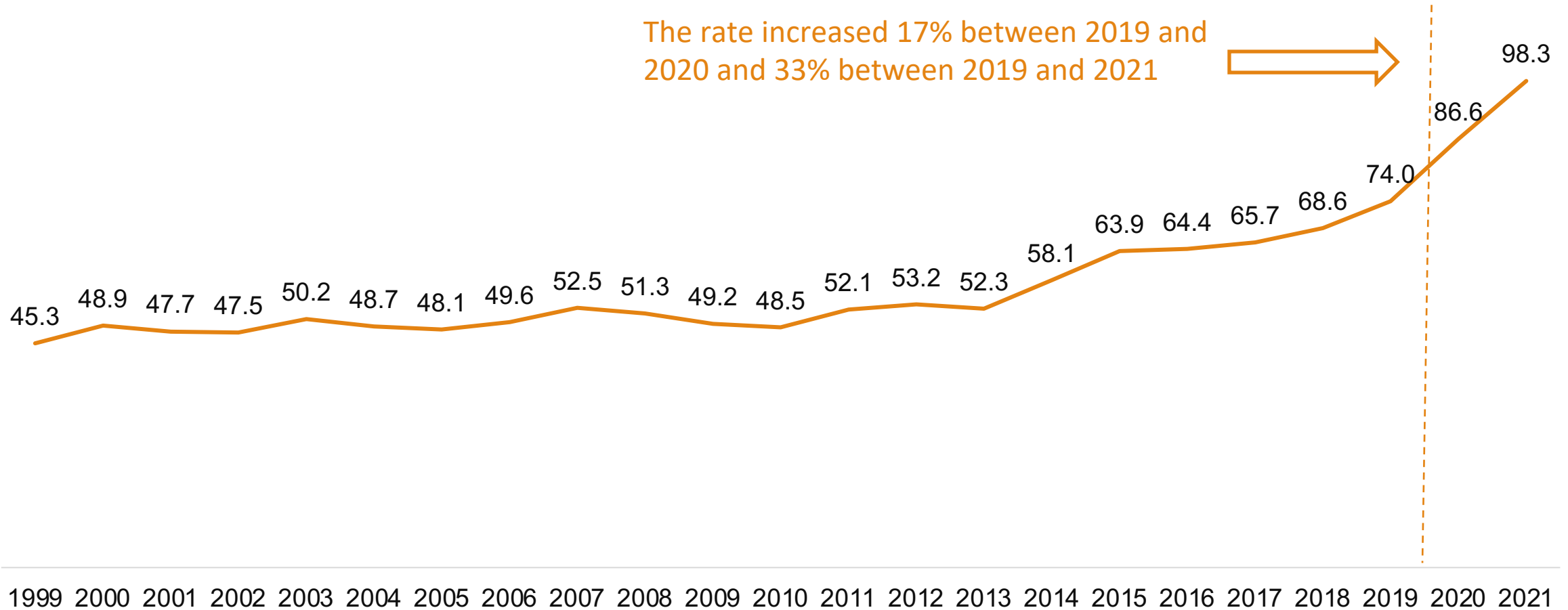
Alcohol use disorder is an important outcome of excessive alcohol use. However, it is only part of the problem

Average Annual Alcohol-Attributable Death Rate per 100,000 Population by State and D.C., United States, 2015-2019



Age-Adjusted Alcohol-Attributable Death Rate per 100,000 Population by Year, New Mexico, 1999-2021

The rate increased 17% between 2019 and 2020 and 33% between 2019 and 2021

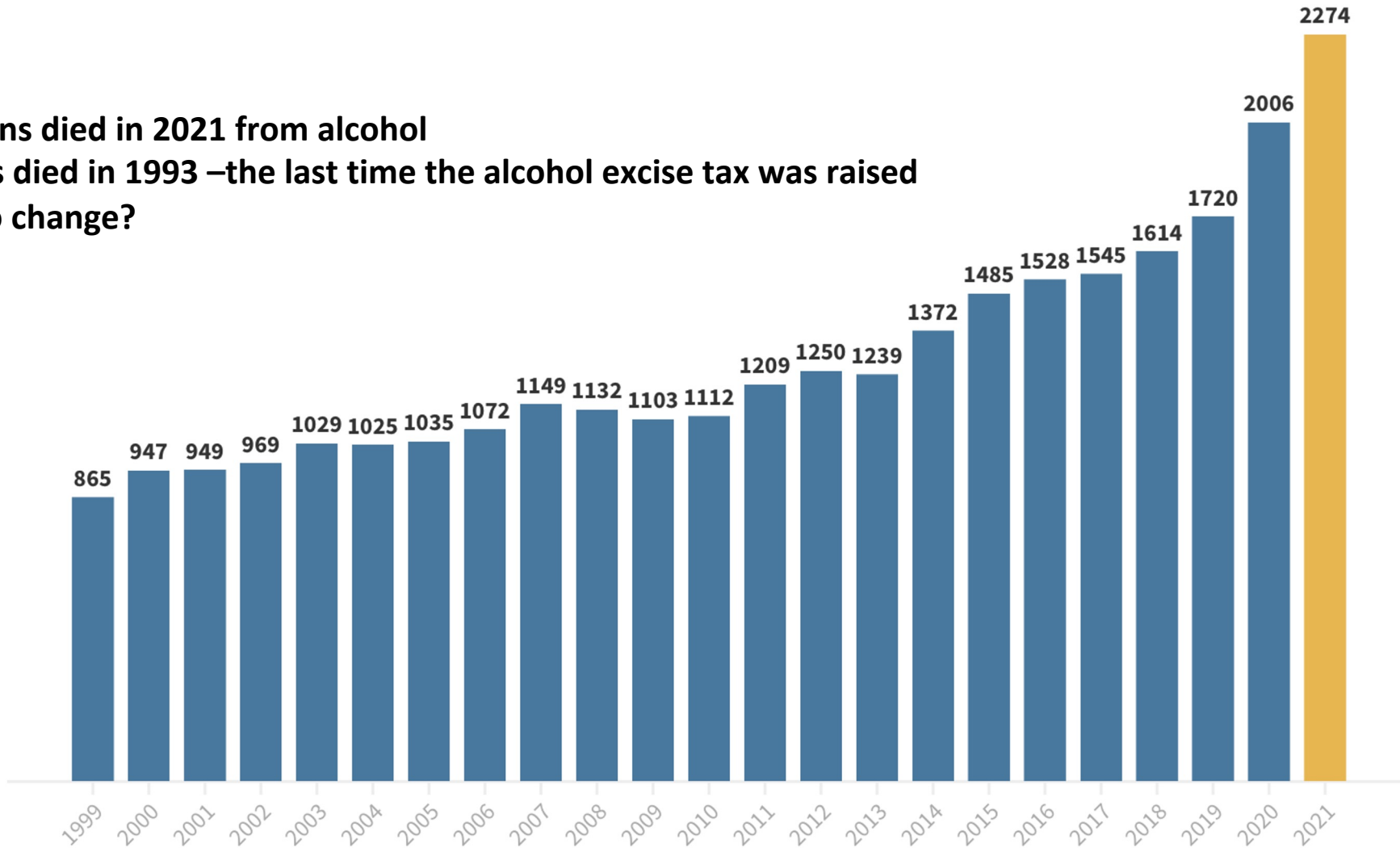


In 2021, alcohol-attributable deaths in New Mexico rose 13% to an all-time high.

2,274 New Mexicans died in 2021 from alcohol

607 New Mexicans died in 1993 –the last time the alcohol excise tax was raised

When is it going to change?



Source: [New Mexico Department of Health](#) **New Mexico In Depth**

What does your local alcohol problem look like?

New Mexico's Health Indicator Data & Statistics

[NM-IBIS - Welcome to IBIS-PH -- Our State's Public Health Data Resource](#)

- County level health indicator data

New Mexico Courts

[Reports & Policies | New Mexico Courts \(nmcourts.gov\)](#)

- Conviction Rates (County)

Health Council Profiles/Data

<https://www.nmhealthcouncils.org/commhealth-assessments>

- Health data to include Health Equity data

NMDOH—Substance Use Epi Reports

[2021 SEOW State Epi Report v 5.3.xlsm \(nmhealth.org\)](#)

- Includes Substance Use & Injury data

What does your local alcohol problem look like?

NM Department of Transportation Mobility Report/NM DWI Report

[DWI Report \(unm.edu\)](https://unm.edu/dwi-report)

- DWI Arrests, Crashes, Injury, Fatality data

Youth Risk & Resiliency Survey

[County Reports - New Mexico Youth Risk & Resiliency Survey](#)

- Data on youth risk behavior and resiliency supports.

NM Kids Count Data Book

[NM-KidsCountDataBook-2022.pdf \(nmvoices.org\)](#)

- Data on youth health areas to include: economic well-being, health, education, and family & community.

New Mexico Public Education Department

[Accountability – New Mexico Public Education Department \(state.nm.us\)](#)

- Information on Graduation rates, free & reduced meals, achievement levels.

Cost of Excessive Alcohol Consumption

- Calculated based on alcohol-related healthcare costs, lost productivity, and other costs (fires, criminal justice, property damage, etc.)
- **In 2010**, excessive alcohol consumption cost New Mexico **\$2.2 billion**; adjusting for inflation alone, this could be **\$3.1 billion** (based on inflation rate of 40%)
- In 2010, this amounted to a cost of about \$2.77 per drink or \$1,084 per person. An estimated 40% of these costs are paid directly by taxpayers
- In contrast, New Mexico's alcohol excise taxes per drink are:
 - Spirits and wine: about 7 cents/drink
 - Beer: 4 cents/drink
 - Local alcohol products: about 1 cent/drink



Community Preventive Services Task Force (CPSTF) Recommendations for Preventing Excessive Alcohol Consumption

Electronic screening
and brief
intervention

Responsible
beverage service
training

Overservice law
enforcement
initiatives

Maintaining limits
on hours of alcohol
sale

Against further
privatization of
alcohol

Dram shop liability

Maintaining limits
on days of alcohol
sales

Regulation of
alcohol outlet
density

Increasing alcohol taxes

Enhanced enforcement
of laws prohibiting sale
of alcohol to minors

CPSTF Findings for Effects of Increasing Alcohol Taxes

- Experts in systematic review methodology and alcohol consumption reviewed 73 studies assessing the relationship between either tax rates or total price and excessive alcohol consumption or related harms
- Expected change in alcohol consumption when the **price increases by 1%**:
 - Beer: 0.50% decrease (18 studies)
 - Wine: 0.64% decrease (22 studies)
 - Spirits: 0.79% decrease (21 studies)
 - Total alcohol: 0.77% decrease (11 studies)
- Six studies reported that higher alcohol prices were associated with reduced youth drinking; three studies reported mixed results (9 studies)

CPSTF Findings for Effects of Increasing Alcohol Taxes

- Higher alcohol prices or taxes were consistently related to
 - Fewer motor vehicle crashes and fatalities (10 of 11 studies)
 - Less alcohol-impaired driving (3 of 3 studies)
 - Less mortality from liver cirrhosis (5 of 5 studies)
 - Less all-cause mortality (1 study)
- Effects also were demonstrated for measures of violence (3 studies), sexually transmitted diseases (1 study), and alcohol dependence (1 study)

2022 Systematic Umbrella Review: Impact of Taxes and Price on Alcohol Use

- Assessed all reviews that included studies of the relationship between alcohol prices or taxes and alcohol use: identified 30 reviews
- Higher alcohol taxes and prices were consistently related to lower total alcohol consumption
- Expected percentage change in alcohol consumption when the price increases by 1%:
 - Beer: 0.30 decrease
 - Wine: 0.60 decrease
 - Spirits: 0.64 decrease
- Very strong evidence for the effectiveness of alcohol taxes in targeting heavy drinkers and heavy episodic drinking

Effects of Alcohol tax and price policies on morbidity and mortality

- Reviewed studies assessing the association between alcohol taxes or prices and morbidity and mortality: identified 59 studies.
- Doubling the alcohol tax would reduce:
 - Alcohol-related mortality by an average of 35%
 - Traffic crash deaths by 11%
 - Sexually transmitted disease by 6%
 - Violence. By 2%
 - Crime by 1.4%

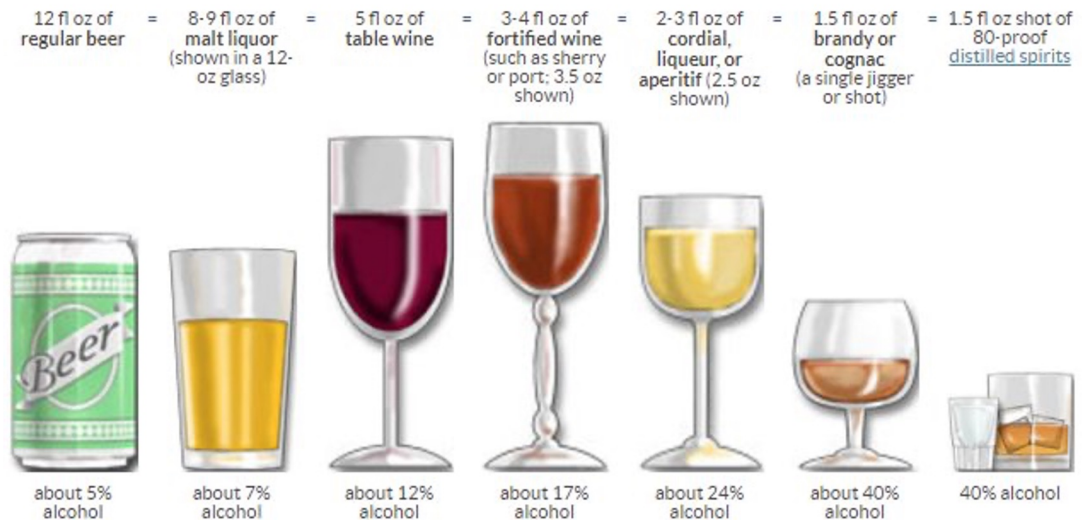
NM Alcohol Excise Taxes—last increase in 1993; no inflation adjustment

Category	NM tax rate (1993)	Range for U.S. States	Tax per drink (approximate)	Inflation-adjusted tax per drink	Tax per drink proposed in HB230/SB259
Spirituous liquors	\$1.60 per liter	\$0.53-\$9.66 per liter	\$.07	\$0.15	\$0.25
Beer	\$0.41 per gallon	\$0.02-\$1.29 per gallon	\$.04	\$0.08	\$0.25
Wine	\$0.45 per liter	\$0.05-\$0.95 per liter	\$.07	\$0.15	\$0.25
Fortified wine	\$1.50 per liter		\$0.13	\$0.28	\$0.25
Microbrews	\$.08 per gallon		\$.0056	\$0.01	\$0.25
Wine (small winegrower)	\$0.10 on 1 st 80K liters, \$.20 on liters >80K and <950K				\$0.25
Cider	\$0.41 per gallon				\$0.25

Reminder: Costs of alcohol to New Mexico (2010 estimate): \$2.77 per standard drink; \$1.13 of this is paid directly by government/taxpayers

Communicating about alcohol taxes

- Why “tax per drink”?
 - Current tax rates are set per liter (distilled spirits, wine, fortified wine) or per gallon (beer, microbrews)
 - The federal government (NIAAA) sets out standard drink sizes
 - The number of drinks per liter or gallon varies widely



Category	Tax unit	Tax per unit	Drinks per unit	Tax per drink
Beer	Gallons	\$0.41	10.67	\$0.04
Distilled spirits	Liters	\$1.60	22.5	\$0.07
Wine	Liters	\$0.45	6.76	\$0.07

Math can be confusing...

? Percent increase in the tax per drink:

? Industry argument: \$.25 a drink is a 650% increase in the beer tax

? If your child's allowance was a nickel a week, and you raised it to a quarter a week, that would be a 500% increase, but still not much money.

? The actual price increase to the consumer would be much smaller: e.g., if retailers simply passed on the increase, this would be a 13.4% increase in the price of beer.

? BUT, alcohol retailers typically "overshift" tax increases – they add a profit margin to them – so the actual price increase might be slightly higher.

? Increasing the tax per gallon/liter rather than the tax per drink:

? Legislators at one point made this shift, with drastic consequences:

	Current tax	Tax with a 25% increase to the rate	Tax with a 25% increase per drink
Beer	\$0.41/gallon	\$0.51/gallon	\$2.67/gallon



Among Adult (18+) Non-Excessive Drinkers, Average Additional Cost for Alcohol Per Year by Income Group

Tax/Drink	<\$25,000	\$25,000-49,999	\$50,000-74,999	>\$75,000
\$0.05	\$2.05	\$2.32	\$2.47	\$2.92
\$0.10	\$3.88	\$4.39	\$4.68	\$5.53
\$0.25	\$8.09	\$9.14	\$9.75	\$11.52
Sales Tax				
5%	\$3.07	\$3.47	\$3.70	\$4.37

Among non-excessive drinkers, alcohol tax increases in NM are not regressive.

Among Adult (18+) Excessive Drinkers, Average Additional Cost for Alcohol Per Year by Income Group

Tax/Drink	<\$25,000	\$25,000-49,999	\$50,000-74,999	>\$75,000
\$0.05	\$13.51	\$11.92	\$12.69	\$15.68
\$0.10	\$24.91	\$22.58	\$24.04	\$29.71
\$0.25	\$54.04	\$47.68	\$50.76	\$62.72
Sales Tax				
5%	\$20.27	\$17.68	\$19.04	\$23.52

Price increases and taxation may have some regressive effects, but the effects are limited, as they are greatest for the heaviest consumers, irrespective of income.

Impact on low-income people

Alcohol tax increases can also be *progressive*.

Persons with lower incomes are more price sensitive. Lower income persons will reduce alcohol use more than higher income persons. This reduction will also have a greater impact on their health.

Thus, the health benefits from tax increases are *progressive*.

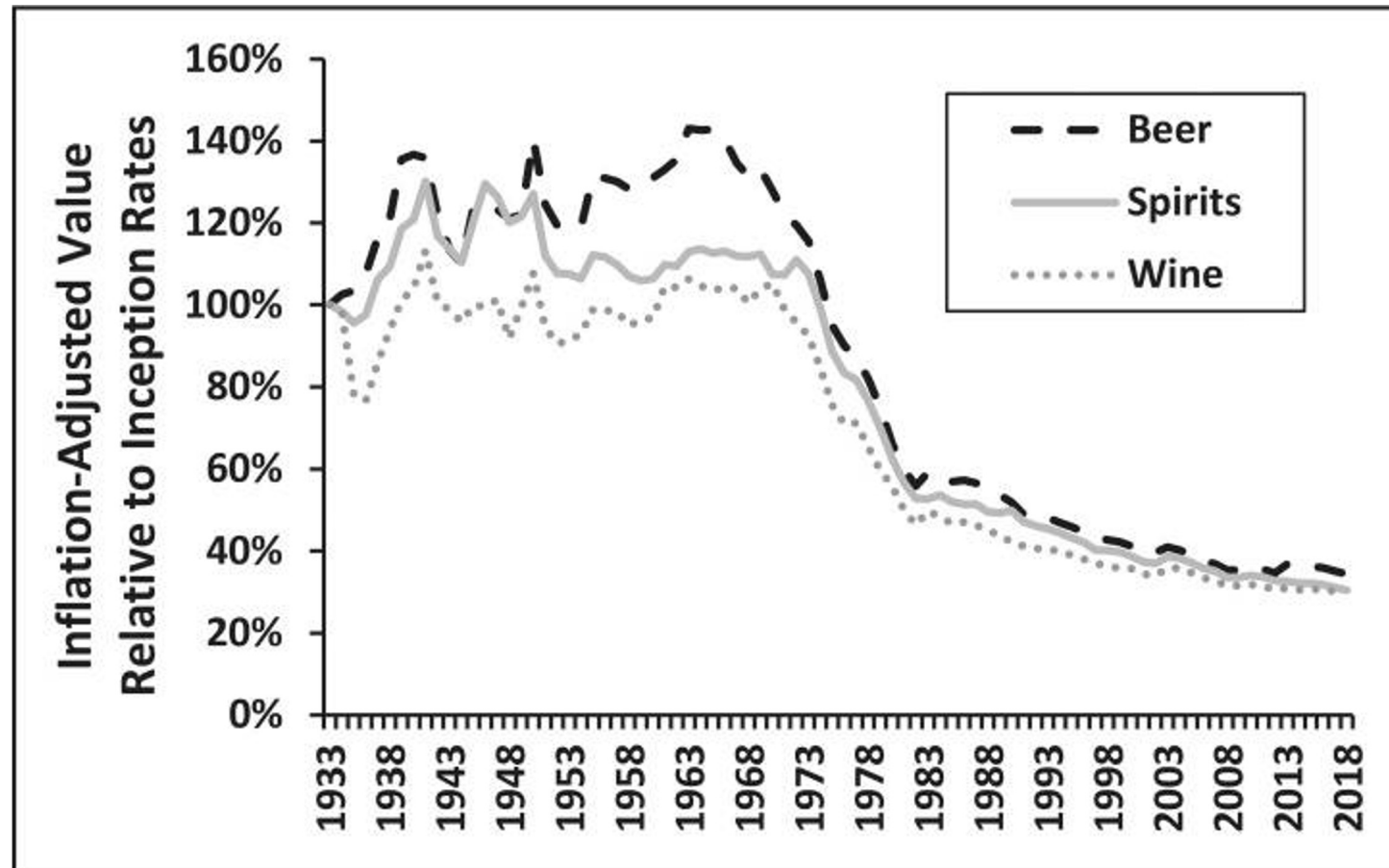
Impact on low-income people

The benefits of alcohol tax increases in terms of revenues are also clearly *progressive*.

Alcohol tax revenues go into government services. Persons with lower incomes are more likely to use government services than wealthier individuals and households.

Thus, the revenue benefits from tax increases are *progressive*.

Historical Trajectory of State Excise Taxes for Beer, Distilled Spirits, and Wine, U.S., 1933–2018



The result: low prices and terrible harms



Off-premise, beer is often cheaper than water, orange juice, milk and soda

On-premise, alcohol is widely discounted (drink specials, ladies' nights, etc.)

Every year alcohol becomes more economically available because taxes don't keep up with inflation

2017 tax cut package (made permanent in 2020) included 18% federal alcohol tax *cut* worth an estimated \$321 million

According to the Department of the Treasury, more than two-thirds of those tax benefits went to the largest alcohol producers

AHA (Alcohol Harms Alleviation) Fund

In 2023 legislation, \$200 million to HSD, DOH, ECECD, PED, and HED:

1. Alcohol harms prevention, treatment and recovery services;
 2. Behavioral health treatment for justice-involved populations and others not covered by the state medicaid program or other health insurance;
 3. Addressing social determinants of health related to alcohol misuse;
 4. Support for victims of alcohol-related crimes, including domestic violence and sexual assault; and
 5. Prevention and reduction of alcohol harms on lands of Indian nations, tribes and pueblos.
- + Coordinator to align the efforts to prevent and reduce alcohol harms.

2023 Legislative Campaign

- July: “Blind Drunk: Hidden in Plain Sight” series (Ted Alcorn, NM In Depth)
- Oct: LHHS Interim Committee engagement and study
- Oct: Sponsors decided to go forward with legislation
- Nov: Core Group formed with weekly meetings
- Dec: Large virtual education sessions and Met with Governor and staff
- Jan: Developed [HB 230](#) and SB 259 with increase to 25 cents for all products
- Feb - Apr: Committee hearings, negotiations, tiny increase in tax package which was vetoed by the Governor

WE WILL NOT GIVE UP: Please join

2024: How can OSAP Sub-recipients Help?

EDUCATE!

1. Community members
2. State legislators
3. County commissioners and city council members
4. Law enforcement and first responders
5. Medical and behavioral health providers
6. Youth
7. Other stakeholders:
 - a. Treatment and recovery organizations
 - b. Schools: all ages
 - c. Businesses
 - d. Faith communities
 - e. Hospitals and healthcare organizations

Share the data, including local data, and how we can address this problem.

ABC Prevent: Albuquerque-Bernalillo County Youth Underage Drinking and Prescription Opioid Misuse Prevention Partnership

Goal: Decrease underage drinking by Bernalillo county youth (ages 9-20)

Identify possible policy initiatives, policymakers, effort needed to move policy change

- Alcohol tax increase, reduce alcohol outlet density, etc.
- Educating county and state legislators on the benefits of evidence-based strategies
- Educating community members about how these policies impact the community's wellbeing

Strategies that can complement effective alcohol policies, such as media campaigns targeting youth and adults

- (Modified) Boot Camp Translation (BCT) Process is a community participatory approach that engages community members in a process to translate evidence-based strategies into locally relevant and culturally appropriate language and constructs.
- For them, by them!

Opportunities for Action - Join us now!

- 1. Send a Representative to our statewide coalition: AHA Coalition**
 - a. Put your email in the chat for biweekly meetings, Thursdays, 11-12
 - b. Email Matt Gloudemans: matthew.gloudemans@gmail.com or one of us

- 1. Join the national movement to address alcohol harms**
 - a. Alcohol Action Network (AAN): <https://www.alcoholactionnetwork.com>
 - b. US Alcohol Policy Alliance: <https://www.alcoholpolicy.org/alliance>

Next Steps

1. Request a presentation for your coalition or community
2. Participate in training on environmental strategies to reduce alcohol harms
3. Increase your understanding of effective strategies such as raising taxes
4. Meet with state legislators and key stakeholders and provide information on environmental strategies to reduce alcohol harms and local conditions and data
5. Advocate for local and state policies that will reduce alcohol harms
6. Ask your county commission or city council to adopt a resolution in support of this evidence-based strategy
7. Testify or comment at interim and legislative committees – if you need an invitation, let us know

Commitment

Let's talk about opportunities and challenges to really make an impact

Thank you!

Sign up at: www.ahacoalition.org

Questions and Comments?

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