

# Oregon Alcohol Price/Tax Policy Agenda

Mike Marshall, Oregon Recovers

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# Mike Marshall



- ▶ Executive Director of Oregon Recovers
- ▶ USAPA Board Member
- ▶ 14+ years in recovery

# Oregon Addiction Crisis

- ▶ 2<sup>nd</sup> highest untreated addiction rate
- ▶ 5<sup>th</sup> highest alcohol use disorder (AUD) rate
- ▶ 50<sup>th</sup> in access to treatment & recovery



# Alcohol killed 2153 Oregonians in 2021

“Few places have seen a greater uptick than Oregon, where the rate of alcohol-induced deaths grew 2.5 times from 1999 to 2020....”

- *New York Times*, September 13, 2022

# Alcohol Producing State

- ▶ 800 Wineries
- ▶ 1,144 Vineyards
- ▶ 12 Distributors
- ▶ 400 Breweries
- ▶ 50 Distilleries
- ▶ \$2 Billion Economic Benefit



# Virtually Untaxed...and getting worse.

“But Oregon, which has no sales tax, has long curried favor with the wine and beer industries by keeping alcohol taxes low — less than 3 cents per glass of wine and **not even a penny** per a 12-ounce beer.”

*New York Times*, September 13, 2022

“Furthermore, leaving tax rates unchanged has the practical effect of reducing them. ...when inflation pushes up prices, it effectively erodes the tax rate. Over the last 45 years, Oregon’s beer tax has lost 80 percent of its value.”

*New York Times*, September 13, 2022

# Alcohol costs more than it contributes.

“OLCC contributed more than **\$600 MILLION** to Oregon programs, cities and counties in 2019-2021.

OLCC website

**VS.**

“Based on the most recent available data, we find that Oregon’s total costs of excessive drinking were approximately **\$4.8 BILLION** in 2019.”

OHA Interim Report on Excessive Drinking, 2021

# 2021 Alcohol Harm Reduction Legislative Agenda

- ▶ Increase alcohol price/tax to reduce "harmful consumption" 20%
  - ▶ \$0.21 tax per beer
  - ▶ \$0.35 tax per glass of wine
  - ▶ \$0.50 price increase per cocktail
- ▶ Require 2 of 7 OLCC Commissioners have a public health background
- ▶ Study requiring consumer notification of harms of alcohol
- ▶ Break up distributor's monopoly



# 2021 Alcohol Harm Reduction Legislative Outcome

- ~~▶ Increase alcohol price/tax to reduce "harmful consumption" 20%~~
    - ~~▶ \$0.21 tax per beer~~
    - ~~▶ \$0.35 tax per glass of wine~~
    - ~~▶ \$0.50 price increase per cocktail~~
  - ~~▶ Require 2 of 7 OLCC Commissioners have a public health background~~
  - ~~▶ Study requiring consumer notification of harms of alcohol~~
  - ~~▶ Break up distributor's monopoly~~
  - ▶ Cocktails-to-go made permanent
  - ▶ Tax-break for distilleries
  - ▶ Sale of kegs from convenience stores
  - ▶ Increase cases of wine that can be shipped
- AND**
- ▶ Removed "Control" from name of OLCC

# Lessons Learned in 2021

- ▶ We need to re-educate, not just educate
- ▶ COVID diminished our power—post pandemic will return our advantage
- ▶ Messaging!
- ▶ Secure support of stakeholders with most to gain (healthcare, CCO's, insurance)
- ▶ We need to support campaign finance reform

**PORTLAND  
BUSINESS JOURNAL**

*“Oregon bill would hike beer, cider and wine taxes by more than 2000%”*

# 2023 Alcohol Harm Reduction Package

## --Tentative--

- ✓ Incrementally increase beer/wine tax & link to increased access to prevention & treatment
- ✓ Reform mission and/or compositions of OLCC
- ✓ Require cancer warning
- ✓ Require broader POS consumer education
- ✓ Increase funding of Rethink the Drink
- ✓ Role back 2021 expansions of alcohol access
- ✓ “Harms of alcohol” bill/resolution

# 2023 Opportunities

- ▶ New Governor, Speaker & Senate President
- ▶ Legislative Champion is now Chair of Ways & Means
- ▶ Creation of *Oregon Alcohol Policy Alliance*
- ▶ Creation of *Oregon Moms for Addiction Recovery*
- ▶ Increased number of Dr.'s & Nurses to be elected to legislature
- ▶ Legislature open to public
- ▶ Economy booming
- ▶ “Rethink the Drink”



# 2023 Unknowns & Challenges

- ▶ New Governor, Speaker & Senate President
- ▶ Chair of Healthcare Committee leading advocate for alcohol industry
- ▶ Distributors, brewers, wineries & restaurants remain organized
- ▶ A third of legislators are not yet elected
- ▶ Lack large donors for alcohol work
- ▶ Lack of national media campaign

# Mike Marshall



“In Oregon, Mr. Marshall was not dissuaded by the long odds. “I am a gay man with a wedding band on my finger,” he said. “My life experience tells me it absolutely can happen.”

*New York Times, September 13, 2022*

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