



Maryland Developmental

Disabilities Coalition



## **SB 168/HB 121 - THE LORRAINE SHEEHAN HEALTH & COMMUNITY SERVICES ACT OF 2011**

### **WHAT THE LORRAINE SHEEHAN ACT WOULD DO:**

- Increase alcohol taxes by a dime per drink in the state of Maryland.
- Raise \$215.6 million in new revenues. The existing tax (which goes to the General Fund) will comprise 12.75% of total revenues after the increase; the remainder (new revenues) would be divided as follows:
  - 15% to Development Disability Support Fund, § 7-207 of the Health – General Article
  - 15% to the Addiction Treatment and Prevention Fund, § 8-207 of the Health – General Article
  - 15% to the Mental health Care Fund, § 10-209 of the Health – General Article
  - 42.25% to the Maryland Medicaid Trust Fund, § 15-103.6 of the Health – General Article, partly to fund health care coverage for childless adults; and partly to fund tobacco prevention and cessation programs and increased quality training opportunities for health care personnel.
- Save \$225.2 million annually in healthcare costs, avert 13,301 cases of alcohol abuse, 311 aggravated assaults and rapes, 59 incidents of severe violence against children, and 33 premature deaths every year.
- Create and preserve jobs in crucial sectors of healthcare and other state services.
- Reduce drinking among young people and heavy drinkers.

### **MARYLAND'S ALCOHOL TAXES CURRENTLY:**

- The spirits excise tax was last raised in 1955, when Eisenhower was president.
- The beer and wine excise taxes were last raised in 1972, when Nixon was president.
- Current excise tax on beer is \$.09 per gallon, on wine is \$.40 per gallon and on spirits is \$1.50 per gallon. These are the equivalent of less than a penny (\$.0084) a drink for beer, and less than two cents a drink for wine (\$.0156) and spirits (\$.0176).
- Maryland's alcohol taxes are among the lowest in the nation. The spirits tax is 47<sup>th</sup> in the nation, the beer tax is 44<sup>th</sup> and the wine tax is 37<sup>th</sup>.
- From 1977 to 2006, the share of the state budget paid for by alcohol excise taxes has dropped sevenfold – from 0.7 percent to 0.1 percent.

### **WHAT RESEARCH ON ALCOHOL TAXES HAS FOUND:**

- Recent polling by OpinionWorks shows that **two-thirds of Marylanders support the dime a drink proposal.**
- This dime a drink alcohol tax increase will lead to a modest 6.6% average increase in the price of alcohol, costing drinkers who do not drink in a risky way an average of \$10.83 per year.
- The research literature on cross-border shopping suggests that this increase will have an insignificant impact on the State's ability to raise the expected revenue and productivity gains alone will exceed any job losses in the alcohol industry (Jernigan, et. al., *The Potential Economic Effects of Alcohol Excise Tax Increases in Maryland*, 2011).

### **ALCOHOL IN MARYLAND**

- 1,278 deaths per year and 7,470 violent crimes per year are caused by alcohol use in Maryland.
- 1 out of 4 Maryland high school students binge drinks. Alcohol causes 1 out of 3 deaths among young people in Maryland ages 15 to 20.
- Harmful use of alcohol costs the state of Maryland at least \$3.5 billion per year.

# *Lorraine Sheehan Health and Community Services Act of 2011*

## *Coalition Supporters*

1199 SEIU Health Care Workers East  
AARP Maryland  
Advocates for Children and Youth  
African American Democratic Club of Baltimore City  
American Association of University Women  
American Heart Association – Mid-Atlantic Affiliate/Maryland Chapter  
American Jewish Congress – Maryland Chapter  
The Arc of Maryland  
Baltimore City Healthy Start  
Baltimore City Substance Abuse Directorate  
Baltimore City Young Democrats  
Baltimore Jewish Council  
Baltimore Substance Abuse Systems  
Baltimoreans United In Leadership Development (BUILD)  
Baltimore Washington Conference of the United Methodist Church  
Baptist Ministers Conference of Baltimore  
Calvert Interfaith Council  
Central Maryland Ecumenical Council  
Chinese American Doctors Association, Inc.  
Community Behavioral Health Association of Maryland  
Community Health Integrated Partnership  
Cross Disability Rights Coalition  
Doctors for America-Maryland  
Eastern Shore Psychological Services  
Episcopal Diocese of Maryland  
Families USA  
Go-Getters Foundation  
Go-Getters, Inc.  
Greater Homewood Interfaith Alliance  
Health Care for the Homeless  
Healthy Start Maryland  
Howard County Muslim Council  
IBEW Local 1900  
Interdenominational Ministerial Alliance  
Jewish Community Relations Council of Greater Washington  
JumpStart Concepts, Inc.  
Lower Shore Clinic  
Lutheran Office on Public Policy  
Maryland Academy of Family Physicians  
Maryland Addictions Directors Council  
Maryland Association of Centers for Independent Living  
Maryland Association of Community Services  
Maryland Association of Core Service Agencies  
Maryland Association of Physician Executives  
Maryland Citizens' Health Initiative (and their 1200 organizational endorsers)

Maryland Coalition of Families for Children's Mental Health  
Maryland Community Health System  
Maryland Developmental Disabilities Council  
Maryland Disability Law Center  
Marylanders for a Balanced Approach  
Maryland Group Against Smoking Pollution (MDGASP)  
Maryland Interfaith Legislative Committee (MILC)  
Maryland Mothers Against Drunk Driving  
Maryland Nonprofits  
Maryland Nurses Association  
Maryland Occupational Therapy Association  
Maryland PIRG  
Maryland Psychological Association  
Maryland Public Health Association  
Maryland Society of Addiction Medicine  
Maryland State Conference of Branches of the NAACP  
Maryland Women's Coalition for Health Care Reform  
Medicaid Matters Maryland  
Mental Health Association of Maryland  
Montgomery County Council  
Montgomery Health Care Action  
Mosaic Community Services  
National Alliance on Mental Illness of Maryland  
National Association of Social Workers – Maryland Chapter  
National Council on Alcoholism and Drug Dependence – Maryland Affiliate  
On Our Own of Maryland  
Park Upper School Student Body  
Pathways, Inc.  
People On the Go of Maryland  
Planned Parenthood of Maryland  
Planned Parenthood of Metropolitan Washington  
Presbytery of Baltimore  
Progressive Maryland  
Progressive Neighbors  
Safe and Sound Campaign  
SEIU State Council  
Seventh-Day Adventist Church - North American Division  
St. Luke's House  
Towson Unitarian Universalist Church – Social Action Committee  
Unitarian Universalist Legislative Ministry - Maryland  
United Food and Commercial Workers Local 400  
Women's Law Center of Maryland, Inc.  
Women Legislators of Maryland  
Women's Suburban Democratic Club

**For More Information contact:**

- Nancy Rosen-Cohen, NCADD-Maryland 410-625-6482
- Linda Raines, MD Mental Health Coalition 410-235-1178

Laura Howell, MD Developmental Disabilities Coalition 410-740-5125  
Vinny DeMarco, Health Care for All 866-433-8451

*February 13, 2011*