



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 47th in the nation, the beer tax is 44th and the wine tax is 37th.
- 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 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
The Wine Source
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

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