



**Senate Budget & Tax Committee
March 10, 2022**

Senate Bill 793 - Alcoholic Beverage Tax - Ready-to-Drink Cocktails

Oppose

NCADD-Maryland strongly opposes Senate Bill 793. After many years of advocating for an increase in the alcoholic beverage tax, the General Assembly agreed in 2011 that the benefits to an increase in the sales tax rate for alcohol were well worth supporting that measure.

Since that new tax was enacted, there have been a number of benefits realized. At its core, the increase in revenues helped support funding for numerous health care services in Maryland, including substance use and mental health disorder services. The need for behavioral health services is only growing, as witnessed in part by an ever-worsening opioid overdose crisis, and of course, the impact of the global pandemic.

There is also evidence as described in reports published in the American Journal of Preventive Medicine that the tax has contributed to the reduction in certain sexually transmitted diseases¹ and alcohol-positive drivers involved in injury crashes, especially among drivers aged 15 to 34 years.² Also, the journal Addiction published a report demonstrating the link between higher taxes on alcohol and a decrease in binge drinking. Research on the impact of the tax increase continues and we expect to find more public health and economic benefits in the near future.

We appreciate that the alcohol and liquor industry has been evolving and has developed new products. But decreasing the price of alcoholic beverages would have a negative impact on public health. A 2018 report from the Abell Foundation clearly states, "As the price of alcohol increases, death and injury decrease, with specific declines in alcohol-related diseases, violence, traffic crashes, and crime."³ We believe that drinks that are made from spirits should be taxed as spirits as a public health policy.

Alcohol tax policy does not just impact revenue to the state, but also a range of public health issues. Maryland has a long history of using tax policy to influence public health, and should not take this step that will make alcohol more accessible and reverse the positive impacts the current tax policy has had in Maryland. We urge an unfavorable report on SB 793.

The Maryland Affiliate of the National Council on Alcoholism and Drug Dependence (NCADD-Maryland) is a statewide organization that works to influence public and private policies on addiction, treatment, and recovery, reduce the stigma associated with the disease, and improve the understanding of addictions and the recovery process. We advocate for and with individuals and families who are affected by alcoholism and drug addiction.

¹ [https://www.ajpmonline.org/article/S0749-3797\(15\)00627-3/fulltext](https://www.ajpmonline.org/article/S0749-3797(15)00627-3/fulltext)

² [https://www.ajpmonline.org/article/S0749-3797\(16\)30692-4/fulltext](https://www.ajpmonline.org/article/S0749-3797(16)30692-4/fulltext)

³ <https://abell.org/sites/default/files/files/Abell%20Public%20Health%20Report%20022718.pdf>

