



June 27, 2024

Task Force On Alcohol Pricing and Addiction Services  
9079 SE McLoughlin Blvd  
Portland, OR 97222

Chair Sanchez and Members of the Task Force:

We are writing to urge you to broaden the research you are considering in the hopes it may better guide you toward recommendations to be included in the Task Force's report to the legislature. Additionally, we wanted to share the attached poll results from DHM Research which demonstrate broad public support for increasing beer and wine taxes, especially if the revenue generated is linked to increased access to treatment.

### **Background**

As you know, alcohol is a toxic, addictive carcinogen. It is the third leading cause of preventable death in Oregon and the third leading cause of preventable cancer in America. It kills six Oregonians each day (a fatality rate that has increased 30% over the last 10 years) and 12% of Oregonians have an alcohol use disorder (AUD). Hence, alcohol products should be regulated and sold in a manner that protects Oregonians and their family while maximizing the revenue available to mitigate the harms caused by every level of alcohol consumption.

Additionally, according to EcoNorthwest, excessive alcohol use costs Oregon "\$2.19 billion in lost earnings for businesses and employees..." The Center for Disease Control (CDC) estimates that each alcoholic drink sold in Oregon costs local and state government \$2.09. Despite these high costs, beer and cider is only taxed at \$0.007 per glass and wine, if taxed at all, is taxed at only \$0.03 per glass. It's imperative that the Task Force consider the economic impact of alcohol consumption when drafting its recommendations to the legislature.

### **Additional Research Needs**

Given the rapidly approaching deadline for the Task Force to make its recommendations we would urge OLCC staff to provide Task Force members with the following information as quickly as possible:

- How does the current tax structure impact BIPOC and other marginalized communities?
- What is the demographic profile of Oregon's alcohol manufacturers/owners benefitting from the current tax structure?
- What amount of beer, wine and cider sold in Oregon is manufactured in Oregon?
- What is the price elasticity of craft beer, wine and cider manufactured in Oregon compared to national alcohol brands?



[www.oregonrecovers.org](http://www.oregonrecovers.org)

- How has minimum unit pricing (MUP) impacted Oregon's craft distilled spirits industry sales and how has it impacted revenue for the general fund? Had it been in place for beer, wine and cider what would the impact have been on revenue and consumption?
- What Oregon wineries have a tax exemption and for how long have they received that exemption? Were they to have been taxed at the same level as larger wineries, how much revenue would that have generated?
- How does the growth of market share among craft beer/wine/cider consumers compare to the growth of craft beer/wine/cider manufacturers in Oregon? Is the craft beer/wine/cider industry market over-saturated?
- What percent of Oregonians seeking treatment are addicted to cannabis and what percent are addicted to alcohol?
- If cannabis and alcohol were taxed equally, how much additional revenue would be generated.
- What would be required to tax alcohol at the point of sale and to implement minimum unit pricing applicable to all alcoholic beverages.
- To what extent does alcohol worsen public safety in Oregon?
- To what extent does alcohol contribute to the ongoing overdose epidemic, when used in conjunction with opiates.

We think endeavoring to understand each point will strengthen and further legitimize the final report you send back to the legislature.

Sincerely,

Amanda Esquivel  
Co-Chair

Andrew Swanson  
Co-Chair