

# Lobby Day Talking Points

## Dedicated Alcohol Tax Initiative

An important tool when speaking with legislators and staff on a coordinated lobby day is talking points to ensure that all participants are covering the same issues in a similar fashion. This allows the full legislature to have heard similar information from constituents throughout the day. The Legislative Affairs Committee's overall theme is to increase support of PCPA-sponsored legislation (dedicated alcohol taxes, inflationary index) and attain equity during the budget negotiation process (addressing the 2006/07 budget, spending caps/TABOR). Below are suggested discussion areas for the **dedicated alcohol tax initiative** for drug and alcohol (D&A) treatment and prevention. **The House version of the legislation (House Bill 1649) is likely to be considered for a vote this month. Urge legislators to contact their leadership to move the bill and then to support House Bill 1649 when it comes up for a floor vote.**

### PCPA Position

The majority of the D&A line items have not seen an increase in many years. Clients go untreated late in the fiscal year due to exhausted funding sources. Family members remain incarcerated rather than in treatment due to lack of funding. The loss of the Intergovernmental Transfer monies will be a devastating loss to already inadequate D&A funding.

The commonwealth is has made wine and liquor more accessible by opening stores on Sundays and expanding sales within grocery stores, border stores, and super stores. As a direct result of such endeavors record sales are being reported. This increase in sales and accessibility must include a financial commitment to treatment and prevention. As the commonwealth promotes and profits from the sale of alcohol, it is appropriate that a portion of those funds be utilized to help citizens who develop problems with the product.

### Points to Highlight During Legislative Visits

- This legislation focuses on an existing tax on liquor and wine often referred to as the *Johnstown Flood Tax* or the *Emergency Tax*. The Johnstown Flood Tax revenue is currently deposited into the General Fund and the funds for five line items currently comes from the General Fund, which makes this proposal **revenue neutral**. (*Note: The alcohol industry wants to eliminate this tax.*)
- The five line items are in the **Departments of Health, Corrections, and Public Welfare and the Pennsylvania Commission on Crime and Delinquency**. This plan does not eliminate the acts or budgeted line items it simply provides a direct funding source for them. The legislation actually details and reinforces the original intent of the acts and budgeted line items.
- Revenues from the existing tax would be diverted from the General Fund to a newly created fund called the *Drug and Alcohol Treatment and Prevention (DATP) Fund*. Once deposited into the DATP fund, the revenues could only be expended for the purposes specified in the legislation. Funding would be automatic and would not require passage of annual legislation (including the state budget). Therefore, if the yearly budget process is delayed beyond June 30, it would not delay D&A funding.
- This initiative would allow for incremental increases in future years as the revenue source (the tax) increases. In other words, as sales increase so does the revenue source. As citizens consume more alcohol, funding for needed treatment would increase. Studies have shown that 20% of the drinkers consume 80% of the alcohol. The persons that drink the most contribute the most.