HOUSE BILL REPORT

HB 2356

As Reported By House Committee on: Commerce & Labor Revenue

Title: An act relating to funding alcohol awareness programming.

Brief Description: Providing funding for alcohol awareness programming.

Sponsor(s): Representatives Heavey, Moyer, Franklin, Dorn,
Sheldon, Leonard and Sprenkle.

Brief History:

Reported by House Committee on: Commerce & Labor, January 31, 1992, DP; Revenue, February 8, 1992, DPS.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 6 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Fuhrman, Ranking Minority Member; Franklin; O'Brien; and Prentice.

Minority Report: Do not pass. Signed by 5 members: Representatives Lisk, Assistant Ranking Minority Member; Jones; R. King; Vance; and Wilson.

Staff: Jim Kelley (786-7166).

Background: On December 11, 1991, the Liquor Control Board adopted a resolution of support for legislation against the use and abuse of alcohol by youth of the state of Washington. The resolution requested that the Legislature enact a law in 1992 that would add a 1 cent per gallon tax to all beer, wine and spirits sold within the state, with the revenues directed to the liquor revolving fund to pay for a hard-hitting and innovative advertising campaign against the use and abuse of alcohol by youth.

Summary of Bill: A 1 cent per gallon tax is imposed on all sales of liquor. The revenue generated by the tax shall be deposited in the liquor revolving fund for the purpose of alcohol awareness programming directed toward persons under the age of 21.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill is exactly what the Liquor Control Board, by resolution, suggested to the Legislature. The board unanimously supports it. Alcohol counter-advertising will help persuade young people not to drink. The number of young people who drink alcohol is astounding and young people tend to binge drink. The liquor advertising industry is enormous and enormously powerful. We have to do something to counter it. It is outrageous that the most vulnerable age group in our society is the target of liquor advertising.

This proposal curtails no rights. Liquor advertising does not tell the truth. People who drink, as a whole, are not as happy, as beautiful, or as healthy as they look on television.

Testimony Against: Some people in the industry support the objectives of the bill. However, the industry is already providing these messages and they are working. We do not need a new tax. People are becoming more aware of the problem of alcohol abuse as evidenced by the decrease in drunk driving accidents and fatalities and a decrease in drinking by high school students. Therefore, this bill probably is unnecessary. However, it would not be as objectionable if it did not include a new tax. A major objection to the new tax is that other taxes imposed on liquor for drug education are not being used effectively and could be channeled into this kind of program.

Witnesses: Paula O'Connor, Mike Murphy, and Jack Rabourn, Liquor Control Board (in favor); Robert Bale, Mothers Against Drunk Driving (in favor); Ed Miles and Bill Fritz, Anheuser Busch (opposed); Stu Halsan, Coors Brewing Company (opposed); Dr. Abraham Bergman, Washington State Medical Association (in favor); Steve Wehrly, Miller Brewing Company (opposed); Mike Patrick, Washington State Council of Police Officers (in favor); Rich Aanderude, Misty Mazella, and Tamarian Harrison, Puyallup PRIDE (in favor); Victoria Chiechi, Washington Wine Institute (opposed); Dick Ducharme and Phil Wayt, Washington Beer and Wine Wholesalers (opposed); Jim Halstrom, Seagrams (opposed); and Dave Pearson, Group Health (in favor).

HOUSE COMMITTEE ON REVENUE

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 14 members: Representatives Wang, Chair; Fraser, Vice Chair; Brumsickle, Ranking Minority Member; Wynne, Assistant Ranking Minority Member; Appelwick; Belcher; Carlson; Day; J. Kohl; Leonard; Morris; Morton; Rust; and Silver.

Staff: Rick Peterson (786-7150).

Summary of Recommendation of Committee on Revenue Compared to Recommendation of Committee on Commerce & Labor: The one cent per gallon tax on beer, wine, and spirits is deleted in the Revenue Committee recommendation. The Liquor Control Board is required to conduct an aggressive public awareness campaign directed toward youth under 21 to discourage consumption of alcoholic beverages. The Revenue Committee requires the Liquor Control Board to appoint an advisory committee to provide quidance in developing the awareness program. Members of the advisory committee are selected from representatives of manufacturers, distributors, retailers, advertisers, and consumers of alcoholic products; recognized alcohol awareness, treatment, and prevention groups; social service organizations providing youth services; public health officials; law enforcement officials; traffic safety education officials; and medical professionals involved in research or treatment of alcohol related diseases or social problems. At least two members of the advisory group shall be persons less than 21 years old.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Same as Commerce & Labor Committee. If an advisory committee is formed, social service organizations providing youth services should be a part.

Testimony Against: Same as testimony Commerce & Labor Committee. If the Liquor Control Board is required to conduct a counter advertising campaign an advisory committee should be formed with industry representation.

Witnesses: Rick Aanderud, Puyallup PRIDE; Carter Mitchell, Liquor Control Board; Abraham Bergman, M.D., Washington State Medical Association; Steve Gallagher, Olympia Police Department; Ken Bertrand, Group Health Cooperative; Renee

Thompson, Washington Transportation Safety Commission; Sharon Foster, Young Men's Christian Associations of Washington; and Steven Freng, King County Division of Alcoholism Services (all in favor). Dick Ducharme and Phil Wayt, Washington Beer and Wine Wholesalers; T.K. Bentler, Washington Association of Micro-Breweries; Jim Halstrom, Joseph E. Seagram and Sons; Stuart Halsan, Coors Brewing Company; Victoria Chiechi, Washington Wine Institute; and Celia Fritz, Anheuser-Busch Companies (all opposed). Becky Bogard, Washington State Association of Broadcasters (neutral).