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## **BREAKING: OHA Buried Report Proving Higher Taxes Don't Curb Excessive Alcohol Use**

*EcoNW study concludes alcohol taxes don't change consumer habits or significantly reduce abuse*

PORTLAND, Ore. — Today, the [Oregonian](#) reported breaking investigative news the Oregon Health Authority appears to have intentionally withheld a publicly funded report that contradicted its position on alcohol tax increases. The report by reputable Oregon economists and researchers from EcoNorthwest, which should have been published in 2021, found alcohol taxes “are far less likely to reduce consumption in heavy and excessive drinkers.”

“This shocking news is deeply concerning that the Oregon Health Authority appears to have intentionally buried a taxpayer-funded study it commissioned because the findings contradicted efforts to justify raising alcohol taxes,” said the Oregon Beverage Alliance. “As the Task Force on Alcohol Pricing and Addiction Services prepares to hear more potential bias and inaccuracies from Oregon Health Authority at the upcoming, Feb. 1, meeting, how can members trust the information Oregon Health Authority is providing to stakeholders and policymakers? If Oregon Health Authority, and possibly others, knew about the report findings in 2021, and yet continued to advocate that increasing alcohol taxes would reduce consumption for problem drinkers, this appears deceptive and we demand answers. Oregonians should be able to expect truth and honesty from the Oregon Health Authority – a public health agency – and once again it violated that trust.”

The report found if Oregon raised beer and cider taxes by 2,444% and wine taxes by 664% – numbers similar to task force chair and Rep. Tawna Sanchez’s 2021 bill HB 3296 – it would maybe decrease consumption by 2% for problem drinkers, but when accounting for problem drinkers switching to cheaper spirits or other substances, which the report determined likely, that reduction might not even be 1%. That’s because, “evidence does not clearly support the idea that higher prices will lead to a meaningful

reduction in alcohol consumption among heavy or binge drinkers — populations that generate a disproportionate share of the economic costs of alcohol consumption.”

While the report states alcohol costs Oregon \$4.8 billion a year, beer, wine, cider and spirits contribute \$17 billion to the state’s economy. The report also states, “the magnitude of reduction in the expected economic burden will likely be smaller than the resulting decrease in consumption from raising the alcohol excise tax.”

Alcohol is the third largest source of revenue for the state, yet only 3% of that revenue goes toward funding mental health and drug addiction recovery and treatment. The rest goes to the general fund. Even so, Oregon spends more on drug addiction recovery and prevention than 75% of other states yet is one of the worst in outcomes according that state’s own psychiatrist.

“Despite what the Oregon Health Authority and advocates might say, Oregon’s breweries, wineries and cideries are facing major challenges with record closures rates and reduced volume sales,” said the Oregon Beverage Alliance. “Between inflation on the cost of ingredients, supply chain issues, employee shortages, natural disasters and a pandemic, these homegrown businesses need the support of lawmakers and the public to survive. The last thing any local business needs are tax increases.”

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***About the Oregon Beverage Alliance***

*The Oregon Beverage Alliance is made up of local brewers, winemakers, cidermakers, distillers and their supply and hospitality partners creating hundreds of thousands of jobs generating \$17 billion for the state. Learn more: [www.DontTaxMyDrink.org](http://www.DontTaxMyDrink.org)*