

Submitter: Jessica Mozeico

On Behalf Of:

Committee: Joint Committee On Addiction and Community Safety
Response

Measure, Appointment or Topic: HB3197

Dear Joint Committee on Addiction and Community Safety Response,
I am writing in firm opposition to HB 3197. As I understand it, HB 3197 would be the first restaurant and grocery point of sales tax of 8% on alcohol to fund addiction services.

Addition services are important and could be funded through reallocation of current tax rather than creating a new tax. Currently, alcohol tax is the #3 revenue generator for the state, yet only 3% of funds are allocated to addiction services as it goes to the General Fund. If more funding is needed for addiction services, a share greater than 3% should be allocated to meet the funding gap.

Creating a new point of sale tax would likely have a negative impact on consumer purchasing, and thus the viability of the wine businesses that contribute over \$4B in economic impact for the state. I have owned a small winery for 22 years and this past year has been the most financially challenging by far in our history. Alcohol consumption is down with only 62% of adults under age 35 saying they drink, down from 72% two decades ago (Gallup). There are non beverage options like cannabis consumption which has increased from 15% to 29% (Gallup) and taxing drinks at the point of sale would further decrease consumption, which would reduce the number of financially viable wineries in the state and perhaps decreasing the collectible tax revenue from fewer wineries.

Please consider opposing HB 3197 and instead allocate currently collected taxes to fund addiction services.