

March 16, 2012

Senator Hoffman, Finance Committee Co-chair State capitol Room #518 Juneau, AK 99801

Senator Stedman, Finance Committee Co-chair State capitol Room #516 Juneau, AK 99801

## **RE:** SB 221 – Allocation of 100 percent of existing alcohol tax revenue to the Alcohol and Other Drug Abuse Treatment and Prevention Fund (ADTP)

Dear Senators Hoffman, Stedman and members of the Finance Committee,

The Alaska Mental Health Trust Authority (The Trust) is writing in strong support of **Senate Bill 221**. This bill would allocate 100 percent of existing alcohol tax revenue to the Alcohol and Other Drug Abuse Treatment and Prevention (ADTP) fund.

Sadly, Alaska consistently ranks among the top five states for alcohol and drug dependence. In addition, many of Alaska's social ills can be linked back to substance abuse. For example, substance abuse is a reportedly a factor in 85% of sexual assault and domestic violence cases, and in 70% of child abuse and neglect cases. Furthermore, the economic impact on Alaska from substance abuse is estimated at \$738 million annually in health care costs, traffic crashes, criminal justice, public assistance and lost productivity.

In an effort to ensure Alaska had revenue for substance abuse prevention strategies and treatment programs, then State Representative Lisa Murkowski, championed HB225 to raise the alcoholic beverage tax and establish the ADTP fund to generate needed revenue for these programs and services. Unfortunately, since 2003, only 50 percent of the funds collected from the existing alcohol tax have been appropriated to the ADTP fund.

The Trust and its partners have been and continue to be steadfast advocates for ensuring Alaska's continuum of health care is sufficient to help those with addictions find a path to recovery. Unfortunately, Alaskans' access to evidence based substance abuse treatment is severely limited. If these additional ADTP funds were used to supplement rather than supplant the General Funds currently used for these services, they would go a long way to helping individual Alaskans and improving the health and wellness of our state.

The Trust strongly supports SB221 and thanks the Senate Finance Committee for their leadership in helping Alaskans suffering from addiction find their path to recovery.

ĆEO

Cc: Sen. Finance Committee: Senator Olson, Senator Egan, Senator Thomas, Senator Ellis, Senator McGuire Sen. Health & Social Services Committee: Senator Davis (chair), Senator Meyer, Senator Dyson, Senator Ellis, Senator Egan