

LEG. FINANCE - BILLS

1977 - 1978

706

HB 334 thru HE 340



RECORDS CERTIFICATION



I, the undersigned, an employee of the State of Alaska, do hereby certify that the microfilm images on this microform are accurate reproductions of the original records of the State of Alaska as accumulated during the regular course of business, and that it is the established policy and practice of this State to microfilm its records and to dispose of the original records after microfilm reproductions have been made.

James O. Smith
Signature of Camera Operator

2/14/90
Date

Introduced: 3/10/77
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 334

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act directing the Department of Public Works to
7 conduct a feasibility study concerned with developing
8 an airport at Sand Point; and providing for an effective
9 date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. FEASIBILITY STUDY. The Department of Public Works is
12 directed to conduct a study with the following objectives:

13 (1) to determine the feasibility of developing an airport at Sand
14 Point;

15 (2) to prepare a report including but not limited to

16 (A) the technical, social, and economic parameters attendant
17 to such airport construction at the two sites;

18 (B) suggested guidelines for any enabling legislation needed
19 to implement the construction of the airport facilities if shown feasi-
20 ble;

21 (C) a suggested implementation schedule for the planning,
22 designing, and construction of the proposed airport;

23 (3) to submit the report to the presiding officers of the senate
24 and house of representatives no later than the first month of the Tenth
25 Legislature, Second Session.

26 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
27 070(c).

28
29 #

AMENDMENT #1

OFFERED IN THE HOUSE:

By: STATE AFFAIRS

To: _____ HOUSE BILL No. HB-334

SENATE BILL No. _____

PAGE: 1

LINE: 28

Add: (D) Feasibility study of emergency lighting by
alternative energy sources.

"An Act directing the Dept. of Public Works to conduct a feasibility study concerned with developing an airport at Sand Point; effective date."

COMMITTEE REPORT

HOUSE

4/26/77

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 334 under consideration. A majority of the members of the Committee

recommends it do pass

recommends it do not pass

recommends it do pass with attached amendment(s)

recommends it be replaced with CS for _____ and that CS for _____ do pass

(and) recommends it be referred to the _____ committee

reports it back without recommendation

AND attaches a report of its intent

(other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____
_____ recommends: _____
_____ recommends: _____

Chairman

711

"An Act directing the Dept. of Public Works to conduct a feasibility study concerned with developing an airport at Sand Point; eff. date."

3-10-71

COMMITTEE REPORT

FINANCE

HOUSE

April 25, 1977 Date

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 334 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>P. Bradley - Do Pass</u>	<u>Bohile - Do Pass</u>
<u>1000. 200 DO PASS</u>	
<u>(2) Kris M. Hetherington - No Pass</u>	
<u>Donworth - No Pass</u>	

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

(F) Tim Kelly No recommends: _____

_____ recommends: _____

_____ recommends: _____

P. Bradley
Chairman

AMENDMENT #1

OFFERED IN THE HOUSE:

BY: STATE AFFAIRS

To: _____ HOUSE BILL No. HB-334

SENATE BILL No. _____

PAGE: 1

LINE: 28

Add: (D) Feasibility study of emergency lighting by
alternative energy sources.

Introduced: 3/10/77
Referred: State Affairs and
Finance

3656
wacher

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 334

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

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16 (A) the technical, social, and economic parameters attendant
17 to such airport construction at the two sites;

18 (B) suggested guidelines for any enabling legislation needed
19 to implement the construction of the airport facilities if shown feasi-
20 ble;

21 (C) a suggested implementation schedule for the planning,
22 designing, and construction of the proposed airport;

23 (3) to submit the report to the presiding officers of the senate
24 and house of representatives no later than the first month of the Tenth
25 Legislature, Second Session.

26 * Sec. 2. This Act takes effect immediately in accordance with AS 01.10.-
27 070(c).

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 334
By OSTERBACK

"An Act directing the Department of Public Works to conduct a feasibility study concerned with developing an airport at Sand Point; and providing for an effective date."

Feasibility of Sand Point airport

Introduced in the House 3-10-1977

HISTORY IN THE HOUSE

19 77
Mar. 10
Read first time and referred to Committee on State Affairs and Finance
Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19
Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused

Reconsideration
PASS Effective Date
Yeas Yeas
Nays Nays
Absent Absent
Excused Excused
Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19
Received from Senate

Concurred in Senate amendment thus adopting:

Failed to concur in Senate amendment; asked Sen. to recede

Senate receded from amendment

Senate failed to recede from amendment

FCC appointed by House

FCC appointed by Senate

FCC adopted

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.



RECORDS CERTIFICATION



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James O. Smith
Signature of Camera Operator

2/14/90
Date

"An Act making a special appropriation to the Dept. of Public Works; effective date."

COMMITTEE REPORT

4/26/77

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 335 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____ recommends: _____
_____ recommends: _____
_____ recommends: _____

_____ Chairman

3-10-77

COMMITTEE REPORT

FINANCE

HOUSE

April 25, 1977 Date

Mr. Speaker:

The Committee on STATE AFFAIRS has had HB 335

under consideration. A majority of the members of the Committee

- recommends it do pass
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- recommends it do pass with attached amendment(s)
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- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>P. S. Bradley - Do Pass</u>	<u>Phills - Do Pass</u>
<u>W. J. ... - DO PASS</u>	
<u>② Kris W. ... - No Rec.</u>	
<u>... - Do Pass</u>	

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

② Tom Keeg ^{NO} recommends: _____

_____ recommends: _____

_____ recommends: _____

P. S. Bradley
Chairman

AMENDMENT #1

OFFERED IN THE HOUSE:

By: State Affairs

To: _____ HOUSE BILL No. HB-335

SENATE BILL No. _____

PAGE: 1

LINE: 10

Change \$50,000 to \$25,000.

3655
walker

Introduced: 3/10/77
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 335

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Public Works; and providing for an effective
8 date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$50,000 is appropriated to the Department of
11 Public Works for the purpose of conducting a study to determine the feasi-
12 bility of constructing an airport at Sand Point.

13 * Sec. 2. The unexpended and unobligated portion of this appropriation
14 lapses into the general fund June 30, 1978.

15 * Sec. 3. This Act takes effect immediately in accordance with AS 01.10.-
16 070(c).

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 335

By OSTERBACK

"An Act making a special appropriation to the Department of Public Works; and providing for an effective date."

Spec. approp. to Dept. Public Works

Introduced in the House 3-10-77, 1977

HISTORY IN THE HOUSE

19 77	Read first time and referred to Committee on State Affairs and Finance Reported back with recommendation that										
Mar. 10											
	Read second time and										
	Read third time and										
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Yeas	Yeas										
Nays	Nays										
Absent	Absent										
Excused	Excused										
	Reconsideration										
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Nays	Nays										
Absent	Absent										
Excused	Excused										
	Reported correctly engrossed										
	Signed by Speaker										
	Sent to Senate										

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19	Read first time and referred to Committee on										
	Reported back with recommendation that										
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Excused	Excused										
	Reported correctly engrossed										
	Signed by President										
	Returned to House										

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

19	Received from Senate
	Concurred in Senate amendment thus adopting:
	Failed to concur in Senate amendment; asked Sen. to recede
	Senate receded from amendment
	Senate failed to recede from amendment
	FCC appointed by House
	FCC appointed by Senate
	FCC adopted
	To enrolling
	Reported correctly enrolled
	Sent to Governor
 by Governor
	Filed with Lt. Governor
	Chapter No.

Introduced: 3/10/77
Referred: State Affairs and
Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 335

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
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16 070(c).

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AMENDMENT #1

OFFERED IN THE HOUSE:

By: State Affairs

To: _____ HOUSE BILL No. HB-335

SENATE BILL No. _____

PAGE: 1

LINE: 10

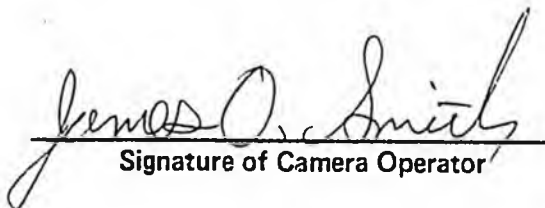
Change \$50,000 to \$25,000.

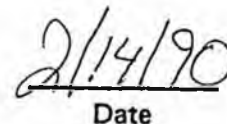


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Signature of Camera Operator


Date

Introduced: 3/10/77
Referred: Finance

1 IN THE HOUSE

BY RHODE

2 HOUSE BILL NO. 336

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act making a special appropriation to the Depart-
7 ment of Environmental Conservation; and providing for
8 an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. The sum of \$1,000,000 is appropriated from the general fund
11 to the Department of Environmental Conservation for the rehabilitation of the
12 Seldovia water supply system.

13 * Sec. 2. This Act takes effect July 1, 1977.

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COMMITTEE REPORT

3-10-77

HOUSE

_____ Date

Mr. Speaker:

The Committee on FINANCE has had HB 336 under consideration. A majority of the members of the Committee

- recommends it do pass
- recommends it do not pass
- recommends it do pass with attached amendment(s)
- recommends it be replaced with CS for _____ and that CS for _____ do pass
- (and) recommends it be referred to the _____ committee
- reports it back without recommendation
- AND attaches a report of its intent
- (other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

_____	recommends:	_____
_____	recommends:	_____
_____	recommends:	_____

_____ Chairman

3669
Berry

Introduced: 3/10/77
Referred: Finance

1 IN THE HOUSE

BY RHODE

2 HOUSE BILL NO. 336

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

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COMMITTEE COPY

ALASKA STATE LEGISLATURE

TENTH Legislature FIRST Session

HOUSE BILL NO. 336

By RHODE

"An Act making a special appropriation to the Department of Environmental Conservation; and providing for an effective date."

Spec. approp. Dept. of Envir. Conserv.

Introduced in the House 3-10-1977

HISTORY IN THE HOUSE

19 77

Mar. 10

Read first time and referred to Committee on

Finance

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by Speaker
Sent to Senate

CHIEF CLERK OF THE HOUSE

HISTORY IN THE SENATE

19

Read first time and referred to Committee on

Reported back with recommendation that

Read second time and

Read third time and

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reconsideration

PASS	Effective Date
Yeas	Yeas
Nays	Nays
Absent	Absent
Excused	Excused

Reported correctly engrossed
Signed by President
Returned to House

SECRETARY OF THE SENATE

HISTORY IN THE HOUSE

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Received from Senate

Concurred in Senate amendment thus adopting:

Failed to concur in Senate amendment; asked Sen. to recede

Senate receded from amendment

Senate failed to recede from amendment

FCC appointed by House

FCC appointed by Senate

FCC adopted

To enrolling

Reported correctly enrolled

Sent to Governor

..... by Governor

Filed with Lt. Governor

Chapter No.



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James O. Smith
Signature of Camera Operator

2/14/90
Date

"An Act relating to the transfer of the division of fish and wildlife protection from the Dept. of Public Safety to the Dept. of Fish & Game; eff. date."

COMMITTEE REPORT

4-5-77

HOUSE

May 2 1977 Date

Mr. Speaker:

The Committee on FINANCE has had HB 337

under consideration. A majority of the members of the Committee

recommends it do pass

recommends it do not pass

recommends it do pass with attached amendment(s)

recommends it be replaced with ^{Resources} CS for HB337 and that ^{Resources} CS for HB337 do pass

(and) recommends it be referred to the _____ committee

reports it back without recommendation

AND attaches a report of its intent

(other) _____

MEMBERS SIGNING THE MAJORITY REPORT:

<u>[Signature]</u>	<u>[Signature]</u>	<u> </u>
<u>[Signature]</u>	<u>[Signature]</u>	<u> </u>
<u>[Signature]</u>	<u> </u>	<u> </u>

MEMBERS NOT CONCURRING IN THE MAJORITY REPORT:

<u>[Signature]</u>	recommends: <u>[Signature]</u>
<u>[Signature]</u>	recommends: <u>no rec</u>
<u>[Signature]</u>	recommends: <u>No. Rec</u>

[Signature]

Chairman

Original sponsor: Osterback

Offered: 4/5/77
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2 CS FOR HOUSE BILL NO. 337

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 TENTH LEGISLATURE - FIRST SESSION

5 A BILL

6 For an Act entitled: "An Act relating to the transfer of the division of
7 fish and wildlife protection from the Department of
8 Public Safety to the Department of Fish and Game; and
9 providing for an effective date."

10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

11 * Section 1. AS 16.05 is amended by adding a new section to read:

12 Sec. 16.05.095. DIVISION OF FISH AND WILDLIFE PROTECTION. There
13 is established within the department the division of fish and wildlife
14 protection. In addition to its other duties, the division shall provide
15 stream guard surveillance.

16 * Sec. 2. All duties and functions of the division of fish and wildlife
17 protection performed by the Department of Public Safety on the effective date
18 of this Act are transferred to the Department of Fish and Game as of the
19 effective date of this Act.

20 * Sec. 3. This Act takes effect July 1, 1978.

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#

Original sponsor: Osterback

Offered: 4/5/77
Referred: Finance

1 IN THE HOUSE

BY THE RESOURCES COMMITTEE

2

CS FOR HOUSE BILL NO. 337

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

TENTH LEGISLATURE - FIRST SESSION

5

A BILL

6

For an Act entitled: "An Act relating to the transfer of the division of
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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

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Introduced: 3/10/77
Referred: Resources and
Finance

1 IN THE HOUSE

BY OSTERBACK

2 HOUSE BILL NO. 337

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

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21 070(c).

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THE LEGISLATURE OF THE STATE OF ALASKA
TENTH LEGISLATURE

FISCAL NOTE

I. REQUEST
 Bill/Resolution No. HB 337
 Title An Act relating to the transfer of the division of fish and wildlife protection
 Requested by _____ Date _____

II. FISCAL DETAIL
 Agency Affected Fish and Game
 Program Category Affected NRMEC
 Budget Request Unit(s) Affected Administration

EXPENDITURES (Thousands of Dollars)

	FY 77	FY 78	FY 79	FY 80	FY 81	FY 82
100 PERSONAL SERVICES		70.4	66.4	65.4	65.4	66.4
200 TRAVEL						
300 CONTRACTUAL		100.3	87.8	87.8	87.8	87.8
400 COMMODITIES						
500 EQUIPMENT		.5				
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
800 CONTINGENCY		20.0				
TOTAL		191.2	154.2	154.2	154.2	154.2

FUNDING (Thousands of Dollars)

GENERAL FUND		124.8	87.8	87.8	87.8	87.8
FEDERAL FUNDS						
OTHER (Specify)						
REDUCTION IN PUBLIC SAFETY BUDGET		66.4	66.4	66.4	66.4	66.4

POSITIONS

FULL TIME		4	4	4	4	4
PART TIME						
TEMPORARY		4 mos.	0	0	0	0

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Above figures represent impact on additional administrative personnel, office space, duplicate records and communications modifications. Part of above increase would be offset by corresponding reductions of \$66,400 in Public Safety, Office of the Commissioner BRU. The housing program impact is not included in these figures, but increases would be offset by identical decreases in the Public Safety housing program. A figure of \$20,000 is included for unforeseen contingencies. See attached detailed analysis.

IV. DATE 4/1/77 PREPARED BY Jeff Morrison
 AGENCY Fish and Game
 PHONE 465-4120
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

Attachment to Fiscal Note to HB 337

All direct costs associated with the Protection Division, including space rental and vehicle rental, are included in the Protection Division budget. Any fiscal impact on the Department of Fish and Game may be divided into increased indirect charges and increased direct charges. Increased indirect charges would include: 1) funding additional personnel in administrative services (personnel, supply, accounting); 2) funding an increase in the housing program; 3) possible increase for a separate records center and central radio dispatch units. Increased direct charges would include: 1) rental of additional space to relocate protection offices where they currently share space with Alaska State Troopers, and 2) replacement or modification of communication equipment so as to become compatible with Fish and Game frequencies. The fiscal impact of these items is detailed below:

Indirect Expenses

- 1) Additional personnel in administrative services. In 1972, when Protection was transferred to Public Safety, the Department of Fish and Game transferred three positions from the administrative services component. Since that time the Protection Division has grown to a total of 120 personnel in the FY78 Governor's request, up from 74 total personnel in FY73. If Protection is returned, four positions would be required in Fish and Game Administrative Services: a Clerk Typist III in headquarters Personnel, an Accounting Clerk II in Juneau and Accounting Clerk III in Anchorage; and a Supply Clerk in headquarters supply. The annual cost of these positions (including benefits) will be \$66,400. It is assumed that desks, chairs, etc. would be transferred from Public Safety. Any increase for these transferred positions should be offset by a corresponding decrease in the Department of Public Safety's administrative services budget.
- 2) Housing program. The Department of Public Safety provides housing for Protection Officers in remote areas. The budget for expenses related to housing is in a separate component and totals \$680,500 for the entire department (FY78 Governor's request). Any expenses related to housing for Protection officers would be transferred from the Housing budget in Public Safety to the housing budget in Fish and Game, with no net increase to the State. A precise figure is unavailable at this time because the entire state housing policy is under review at this time, and some units may be disposed of. It is suggested that the proposed legislation allow for the transfer of necessary funds between departments in the event that Protection is transferred, in order to accommodate the delay involved in obtaining good estimates on this matter and other matters.
- 3) Central dispatch and records center. Protection officers currently use central dispatching units manned 24 hours a day by the Department of Public Safety in six locations: Ketchikan, Juneau, Anchorage, Soldotna, Kodiak and Fairbanks. These dispatch centers provide the following service to all public safety personnel, including Protection officers: 1) 24 hour monitoring of

emergency frequencies for emergencies or public safety matters; 2) forward complaints to officers in area of the complaint; 3) monitor whereabouts of employees in order to follow up on officers who have left radio contact to investigate an activity or question someone (in case officer encounters foul play and is unable to report back); 4) assign complaint/case numbers to all reported complaints; 5) respond to requests for immediate records search at central records center in Juneau. In the event that Protection is transferred, these services can be retained in one of two ways: either the Department of Fish and Game can operate its own central dispatch units, or the Protection division can continue to use the Public Safety central dispatch units. Operation of one CDU would cost about \$90,000 annually in personal services alone. Initial and operating costs of communications equipment makes this alternative prohibitive, leaving the only remaining alternative of continuing to use the existing Public Safety CDUs. The only function now being performed by the CDU which might cause problems if it were continued, is the assigning of complaint/case numbers. This would seem to be a minor administrative problem to overcome.

The operation of the records center in Public Safety integrates the case files of both Protection and State Trooper cases. They are currently intermingled in a consecutive numbering system and I anticipate that Public Safety will continue to require access to Protection case files. If Protection officers use Public Safety CDUs for records checks, it will be mandatory to have Protection case files in the Public Safety records center. At such time as Protection is transferred, then, it would be necessary to have a duplicate set of all Protection case files made for protection headquarters. This one-time expense should hopefully not exceed \$5,000 (4 temporary clerks for about one month, plus copying expenses and new file cabinets). In the future, Protection would need to forward copies of all case files and case numbers to the Public Safety records center. There is currently one data control clerk for Protection in Juneau. If this position is integrated into the records center staff, it may be necessary for Public Safety to include an additional position as a replacement in their fiscal note to the bill.

Direct Expenses

1) Office space. Protection offices are currently located together with other Public Safety offices in many locations. The transfer of Protection to Fish and Game would require that most of those offices be relocated into Fish and Game offices or other separate offices in order to confirm their identity with the new department in the public's mind. In the following locations, Protection offices already exist independently or with Fish and Game, and would require no changes: King Salmon, Soldotna, Sand Point, Bettles, Seward, Wrangell, McGrath (office in home), Tok (office in home), and Talkeetna (office in home). In the following locations, Protection offices may be combined with existing Fish and Game offices, with the only charges being for moving expenses and minor modification: Sitka (rearrange court building); Glennallen; Delta Junction (renovated facility); Cordova; Yakutat; Nome and Dillingham. New stations planned for Aniak, Dutch Harbor, Galena, and St. Mary's would be initially set up as Fish and Game protection offices. In the following locations there are no Fish and Game offices and it may not be desirable or possible

to relocate due to relative shortage of office space: Cantwell and Haines. Total estimated cost for moving expenses and minor modifications in the preceding locations is \$10,000.

The following locations will require the transfer of Protection offices into new office space which would need to be leased in addition to existing Fish and Game offices: Anchorage, Ketchikan, Kodiak, Kotzebue, Fairbanks, Juneau, Petersburg, Valdez, Palmer, and Homer. Due to lease commitments, it may not be possible to use the funds budgeted for the Public Safety leases for leases of the new office space. Fiscal projections assume the worst case situation, wherein previous obligations must be honored for a complete year. It is also assumed that the Director's office and staff would relocate from Anchorage to Juneau. Cost estimates for new space are as follows: Anchorage \$24,000 (2000 sq. ft. @ \$1.00); Ketchikan \$3,000 (remodel expanded space in court building); Kodiak \$8,400 (700 sq. ft. @ \$1.00); Kotzebue \$3,000 (assumes City of Kotzebue will rent space @ \$250/mo.); Fairbanks \$19,400 (1200 sq. ft. @ \$1.35); Juneau \$18,000 (1500 sq. ft. @ \$1.00 - for both Headquarters and Region); Petersburg \$2,400 (200 sq. ft. @ \$1.00); Valdez \$3,600 (300 sq. ft. @ \$1.00); Palmer \$2,400 (200 sq. ft. @ \$1.00); and Homer \$3,600 (300 sq. ft. @ \$1.00). Total estimated additional space costs are \$87,800. Since this is an annual figure, delays in moving would generate some savings; this savings would then be applied to pay for moving expenses. Total direct costs related to office space is estimated at \$97,800.

2) Communications equipment. The Protection Division was appropriated \$133,200 for communications equipment for FY77, and most of this is on order or in use. The status of their communications equipment in FY78 will be very good, and will have the capacity to provide communications between most field stations and Public Safety's Central Dispatch Units. Adding the capability to communicate with Fish and Game offices will involve adding or replacing frequencies to the existing or new equipment. This cost will be minimal, and has been estimated at not-to-exceed \$2,000 by the Division of Communications. Troopers and protection officers currently employ a single frequency VHF reporter network along the Alaskan highway network. Continued use of this frequency for protection law enforcement activities will probably be necessary, and will interface with the Central Dispatch Units discussed previously in this analysis. Fish and Game frequencies (4504 and 3230) will be used by Protection offices for administrative communications not related to actual enforcement activities. Mel Hoversten, Director of Communications, indicates no major problems in the conversion unless Public Safety denies the use of their single frequency VHF repeater network to Protection officers. If this is the case, the conversion cost will undoubtedly go up, assuming the Department of Fish and Game would care to retain the capabilities offered by the VHF repeater network.

Summary

The foreseeable increased costs related to the transfer of Protection are: \$66,400 for four administrative positions; \$5,000 for duplicate records; \$97,800 for office space; \$2,000 for communications modification; and an unspecified amount for transfer of housing units. The increased expenses for

housing and the 4 administrative positions would be offset by corresponding reductions in Public Safety budgets for housing and general administration. The total net increase would then total \$104,800. It would be highly advisable to appropriate an additional \$20,000 for unforeseen contingencies in line 800. This money would only be released, then, when authorized by the Governor when it can be shown that other funding was insufficient.

The projections above are based on several assumptions which may change, particularly regarding use of Public Safety communications facilities (CDUs and VHF network). If any assumptions change, the fiscal impact is likely to change also.

An amendment to the bill to allow transfers of funds and positions between departments in accordance with legislative intent would assist greatly in the administration of this bill, as it is unlikely that firm figures will be available regarding the housing program.

TESTIMONY OF JIM REARDEN
MEMBER OF THE BOARD OF GAME

Thank you Mr. Chairman. My name is Jim Rearden, I'm a member of the Alaska Board of Game, I've been a resident of Alaska for 27 years and in that time I have been professionally involved in Fish and Game Management in various ways. I was head of the Department of Wildlife Management at the University of Alaska for 4 years, I've been a guide, I've been a commercial fisherman, I was area biologist for Commercial Fisheries in Cook Inlet for 11 years for the Alaska Department of Fish and Game, I have worked for the Fish and Wildlife Service as a Game Biologist, presently I am the outdoors editor for the Alaskan Magazine and the Alaska Field Editor for Outdoor Life Magazine. I have strong feelings on this issue, philosophically I think you are absolutely right that the enforcement of Fish and Game regulations belong with the Department of Fish and Game. Looking at the history of the enforcement division under the Department of Fish and Game (the enforcement division was a bastard division, they were to be put up with and supported, but they didn't have a full share in the operations of the Department, their input was ignored or negligible, their budget was poor, there was quite a change in personnel in some years it was as high as 50% I believe, turnover within the division. I attribute this largely to the fact that these people were not what you'd call career professional people, and not career conservationists. Of the 67 officers who were with the Department of Fish and Game at the time it was transferred to Public Safety, 27 now remain, in 5 years 40 officers have left the Division. I believe 2 by retirement and I think there has been 1 death. At the time that the Division was



with the Department of Fish and Game the requirements for becoming an officer were a high school diploma, a driver's license and pass a physical examination. The present requirements are identical, with the Department of Public Safety. The training that the men have received since they have been with the Department of Public Safety are at closer alliance with the Court System, with the District Attorney's Offices, has strengthened them in presenting cases, in collecting evidence and in handling the enforcement of role.

I submit that all of the improvements that we have seen in these areas could just have well have come under the Department of Fish and Game. The problem, I talked with some of the Field Officers recently of communication between the officers in the field and the Biologists, the Game Biologists, and the Fisheries Biologists who are charged with management within the various areas, the communications is very poor. If a Fisheries Biologist feels that patrols, stakeout crews or whatever, are necessary in a specific area he can request it if the protection officer doesn't really agree with him the protection officer can pretty well go his own way and no one is really telling him to do it, to what the Biologist the land, the man in charge of the area from the resource standpoint require. Now, I maintain at this point that the Division is more effective now, where it is, then it was before. But I maintain that we need a stronger Division, a far stronger and better protection division than we have, and I maintain that it belongs with the Department of Fish and Game and I maintain that it should be a full partner in the management of the resource and in the planning for the protection and handling of the Fish and Game resources throughout the state. And my recommendations would be to leave it right where it is, until and unless you are fully prepared to establish a top-notch, top

quality protection division of people who are career minded, who will remain with the State and remain in the position for a long enough time to pay for their training and pay for all the costs to the State, and I maintain that this requires first that a man have a college degree of some sort when he is hired, now I would not fire everybody that you have now, I'd give grandfather rights to the officers who are working for the protection of Wildlife, Fish and Wildlife Division as it is now called, and allow those who wish to be transferred back to the Department of Fish and Game to go, but here after I would require a college degree, whether it would be in Law Enforcement, Fisheries Management, Biology, Wildlife Management. From here I would then require them to attend the police academy at Sitka or a similar school to receive the absolutely essential law enforcement work, the next step I would require that they attend a 3 to 4 month intensive program on Fish and Game Management within Alaska so that they will have a knowledge of the reasons behind the regulations and the policies of the Department of Fish and Game, they'll have the conservation information they need to defend the regulations and to explain them to the public. Now, you say a school like this would be costly, I don't think it necessarily would have to be. We have within the Department of Fish and Game some of the finest Fish and Game scientists within the United States and they are recognized as such throughout the United States, these people could very easily prepare a curriculum and teach such a school to the Protection Officers and one other factor I think that is extremely important is that I believe strongly in what I call preventive enforcement and preventive enforcement to me means that an officer who is acquainted with an area doesn't get transferred every

6 months or every year or every 2 years, an officer would be stationed in an area and he would remain there, he would become a part of a community, he would become intimately acquainted with the physical features of the area, the resources of the area, the people of the area, so that he could become truly effective. Now if the officer isn't any good, he isn't gonna, and this happens why, you aren't gonna get any place anyway, so you've got to be sure that the officers are good before you put them in there and there has to be a constant reading process through the recruitment and the training program. This is done in other states and it is quite successful. At the moment an officer represents really the state when he checks fishing licenses, when he watches sportsman on the stream, when he watches hunters out in the field, they have at the moment, no real reason to defend the program of the and the regulations of the Department of Fish and Game, if they don't believe in them the tendency is frequently to say well, yea it's a screwy regulation but I got to enforce it. That basically is about all I have to say Mr. Chairman.

QUESTIONS AND ANSWERS

Rep. Osterback - Mr. Rearden are you aware we have a bill in the House on the floor today, I voted against it but it passed, didn't it pass, and directing the regulations for the Board, or the Department of Fish and Game to follow and the only reason bills like that are coming up is because nobody is satisfied with the way the Department of Public Safety and the Department of Fish and Game are run. When they are coming to the legislators and asking them to pass the laws there has got to be something wrong somewhere along with the Department of Fish and Game or something and this is what we are trying to do

down here where we can get a Department what can handle our resources and try to build them up. The way they have been going the last few years, we've been going down hill and until we do something we are going to keep on going down hill.

Rep. Malone - Thank you Mr. Chairman. Mr. Rearden, Basically what you are saying is that simply moving the Division back and forth isn't gonna help things, it's gonna have to be upgraded and that it should be logically in the Department of Fish and Game and it is not gonna do much good to move it back there unless the State's willing to make a commitment to provide for proper education and training and professionalism on the part of the people in that Division. Is that right?

Mr. Rearden - That's it exactly, yes sir.

Rep. Eliason - Jim I think I agree with most of what you have to say especially about the training programs for the enforcement officers however, I get just a little, I'm gonna put this politely, I get a little bit tired with this college degree syndrome we have when it come to Biologists versus the common ordinary everyday citizens. It seems that a good example today on the floor of the House there has been some, we have been listening and doing and performing what their recommendations have been for years and it seems like they don't have all the answers either. I don't know what the qualifications are for a ordinary State Trooper who is charged with the responsibility of protecting the human resources, I don't suspect that they have to have a college degree so I think that would be just as important, I don't think there is anything in our law that says you have to have a college degree to sit in on Board of

Fish of on the Board of Game. They have some real responsible decisions to make. But it seems to me that we could find very capable people without having the necessary type of qualifications you are looking for.

Mr. Rearden -- Representative Eliason let me explain my reasoning and my thinking behind it. As I pointed out the Division of Protection under the Department of Fish and Game was a very weak division it was not a full partner in the operations of the Department of Fish and Game. There were reasons for this. When there was input, frequently it was not well thought out input. There was a social barrier between the professional scientists of the Department of Fish and Game many of whom have masters degrees at the very least, and to have individuals who have a high school diploma and a drivers license essentially and they were very, basically the Division were young men and it still is young men because of the tremendous turnover, there is a barrier there communications barrier and a 3 months or 4 months intensive course in Fish and Game Management is not gonna remove that barrier. I want people who are equal and knowledgable in management of the resources. Looking at each other across the table within the Department of Fish and Game to develop a program in Protection and Management. I don't want this so called social inequality, I want these people to be a full partner and I feel that if you did not increase your educational requirements to equal those of the scientists that we require to have college degrees working for the Department of Fish and Game then you are going to have this problem. Now there are exceptional individuals now, there are some

of them sitting in this room right at this minute. Protection Officers who do not have degrees who could, did and can sit right across the table from any professional and do just as fine a job but the chances of your getting a full staff capable of doing this without requiring this do not seem as great to me.

Rep. Eliason - This is one of the reasons why they split it off to start with, is that right, it was because they had, it was, they were taking the back seat, so to speak.

Mr. Rearden - Mr. Eliason, I think there were many many reasons. I can't really give them all to you.

Rep. Eliason - I can understand the full need for full partnership, but realistically you would think that if we did transfer this Division with college graduates and this training to Fish and Game that they would be given the same consideration as the Division of Commercial Fish or the Division of Sport Fish?

Mr. Rearden - I think it would have to be, they, it would be essential, I think that the Department should be structured so that perhaps the top man in protection would be a Deputy Commissioner and it would be a very strong Division.

Rep. Malone - This is just a question relating to the education question that Dick asked, and that is, to what extent do you think that a person's experience, and we have some people with considerable amount of experience within the Division now, would be a substitute for you know, that educational background that you are talking about.

It's one thing to have somebody coming in off of the street, with say a driver's license and a high school diploma, another thing to have somebody come in from the field with 10 years of experience under their belt, to what extent do you think that that is a substitute?

Mr. Rearden - I think it could be a full substitute in some instances and I think it should be considered, certainly.

Rep. Malone - Thank you Mr. Chairman.

Ernie Haugen - Mr. Chairman I am not in your committee but

Rep. Osterback - Well you are free to speak any time you want with the legislature.

Ernie Haugen - You know I've seen both sides of this here situation when we had the enforcement in the Department and some of the problems that you discussed and the status of the people in protection, but a what's wrong with the Biologists while they are out in the field because a Fish and Game Protection Officer wasn't present that they could make the same arrest as the guy that has protection status?

Mr. Rearden - Some of the Biologists all of whom have authority to make cases . . .

Ernie Haugen - Do they exercise it?

Mr. Rearden - Some do, some do not, some avoid it.

Ernie Haugen - Isn't that probably the reason that Eagan , with all the things that are being developed here made a decision they weren't compatible?

Mr. Rearden - I don't know why Governor Eagan made . . .

Ernie Haugen - Well, I remember. I'm a commercial fisherman and I've seen it all and a last Fall in a certain area there happened to be only one protection officer between Bays that were open but there were Biologists on the ground, violations were taking place and they weren't a, they weren't doing anything in the way of enforcement. Do you think that is right.

Mr. Rearden - It is not right sir and the Commissioner has informed the Boards

REST OF TESTIMONY NOT RECORDED DUE TO TAPE RECORDER COMPLICATIONS.
(APPROXIMATELY 3 - 5 MINUTES OF QUESTION/ANSWER)



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James O. Smith
Signature of Camera Operator

2/14/90
Date

Comm. Hec.

Bill not referred
to either Finance

BACK - UP
FOR HB 340

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES

**OFFICE OF THE COMMISSIONER
OFFICE OF ALCOHOLISM**

JAY S. HAMMOND, GOVERNOR

POUCH H 05F - JUNEAU 39811

February 7, 1977

Senator John Sackett
Chairman, Senate Finance Committee
Pouch WF, State Capitol
Juneau, Alaska 99811

Dear Senator Sackett:

Enclosed is a copy of the report we discussed. It has its strengths and weaknesses. Some of the proposals in Chapter 4 have been changed, some have been refined, and the proposal on OMVI statutes was deleted for what we hear are technical, legal reasons. It is safe to project, however, that the report contains the major thrust of research and argument in support of the legislative package on alcohol abuse to be submitted by the Governor. Your consideration of these subjects is appreciated.

Sincerely,


Richard Emerman

RE: jg

INTERDEPARTMENTAL
COORDINATING COMMITTEE (ALCOHOLISM)

REPORT TO THE GOVERNOR

CHAPTER ONE

INTRODUCTION

1. Assumptions

The following assumptions were made in the preparation of this document:

1. State government should not do for local communities that which they can do for themselves.
2. State government should not do for individuals that which they can do for themselves.
3. There should be maximum public participation into the policy making machinery of State government.
4. State government programs should be goal directed, have measurable outputs, and be cost effective.
5. Because the State sanctions the sale and distribution of beverage alcohol, and derives revenue from such sales, the state is responsible for ensuring that the negative effects of alcohol abuse are addressed in a rational manner.
6. Beverage alcohol is an addictive drug and is easily abused.
7. There is high public tolerance for relatively heavy drinking in Alaska.
8. No one theoretical model can account for all known types of alcohol abuse and alcoholism.
9. Alcohol abuse and alcoholism manifest many interrelated causes and effects which include cultural, economic, social, political, physical, and psychological considerations.
10. Given low average age of the population, high per capita consumption of beverage alcohol, apparently high public tolerance of heavy drinking, relatively low prices of beverage alcohol, rapid growth, cultural change and conflict, and other related conditions and events in Alaska, alcoholism and alcohol abuse will be costly problems for some time to come.
11. Therefore, a realistic prevention and control strategy is not one that expects dramatic reductions in alcoholism and alcohol abuse over the short term.

12. A realistic prevention and control strategy is one that organizes and sets in motion conditions and systems which can be expected to result in gradual and lasting reductions in alcohol abuse and alcoholism while immediately attacking certain specific aspects of the problem which seem to be improvable over the short term.
13. A realistic treatment strategy is one that anticipates no decreases in the number of persons needing treatment for alcoholism over the short term but will instead program for expected increases in the numbers of persons needing treatment for the next decade.
14. There is little agreement in the literature about what combinations of prevention/control/treatment measures "work". Therefore, prevention, control, and treatment of alcohol abuse/alcoholism is an experimental enterprise.
15. Medicine, psychiatry, psychology, social work and sociology and other disciplines disagree about the etiology and treatment of alcoholism. Nevertheless there are generally accepted program and treatment practices which are reflected in the "Joint Commission on Accreditation of Hospitals" standards for alcoholism services, recently adopted by the State through the Alaska Administrative Code.
16. Alaska is in an early and traumatic stage of growth and organizational development. Therefore it is appropriate to view the work of the Inter-departmental Coordinating Committee as an early step in the development of logical policies containing recommended counter measures to a set of problems the causes of which are beyond the control of the Committee.
17. Therefore this document should not be viewed as a panacea but as a rational first building block in the development of long term conditions and systems designed to reduce and treat alcohol abuse and alcoholism.
18. Recommendations presented herein should be rooted in hard evidence when possible.

19. The political power attributed to groups with vested economic interests in current alcohol use patterns is not a consideration in the development of this document.

20. An effective State program to deal with alcohol problems in Alaska must be a balanced, comprehensive approach including components of education, control, and treatment.

II Sources of Policy Questions/Development of this Document

The policy questions addressed in this document were derived from members of the Interagency Coordinating Committee, staff to the Interagency Coordinating Committee, input from other state officials, input from the public and perusal of national and international publications. (See Appendix A)

These policy questions were refined and analyzed by a working group of staff to the Interagency Coordinating Committee to the extent that time permitted.

These policy questions and recommendations were tested, insofar as possible, against hard empirical data. However, hard data is an often scarce commodity in Alaska.

Therefore, many of these questions had to be addressed by policy recommendations which were rooted in an informal "collective agreement" in the absence of empirical data.

A more thorough empirical analysis of many of the same issues explicated in this report will be completed by December 31, 1976.

Many of the proposals included in this report should be re-examined with the benefit of the additional data to be available in December.

CHAPTER TWO

CONFIGURATION OF ALCOHOL PROBLEMS IN ALASKA

It is the purpose of this report to present indicators thus far identified on the extent and nature of alcohol-related problems in Alaska, to estimate alcohol-related costs borne by State government as compared with tax revenues unique to the liquor industry, and to recommend action by State government that should effectively reduce the incidence of such problems and place the associated tax burden on the appropriate source. In this report, an alcohol-related event is defined as one in which alcohol is judged to have been a significant contributing factor.

It should be remembered that many alcohol-related problems are not readily apparent to State government and are often beyond our ability to measure. This includes such problems as broken homes, the emotional suffering and economic loss of families, industrial accidents, lost man-hours of productive work, and a variety of health problems related either directly or indirectly to alcohol abuse.

Extent and Nature of Alcohol-Related Problems in Alaska
(Currently visible to and measurable by State Government)

A. Social Services

1. In August, 1975, the Division of Social Services began submitting reports to the American Humane Association (AHA) on each substantiated case of child abuse or neglect brought to the attention of State social workers. The reports contain the social worker's appraisal of major contributing factors in each case. Of 108 child neglect reports submitted to AHA in the latter part of 1975, 49 (45%) were judged to have involved "alcohol dependence". The Division estimates that it responded to approximately 380 substantiated neglect cases over the entire year.

2. Of 61 child abuse reports submitted to AHA in the latter part of 1975, 16 (26%) were judged to have involved "alcohol dependence". The Division estimates that it responded to approximately 150 substantiated abuse cases over the entire year. We have no figure for the actual incidence of child abuse and neglect - we know only the number of cases reported to the State. In addition, the above figures do not tell us how often drinking was involved in the incident, but rather how often "alcohol dependence" was later judged to be an overall contributing factor.

3. Though firm information is not now available on the extent of alcohol problems among the state's aged population, a conservative estimate concerning the Homemakers program is that 10% of their elderly clients would require significantly less assistance were it not for excessive drinking. This is supported by a sample of 40 elderly clients of the Homemakers program in Southeast Alaska, of which 4 have been judged by the regional coordinator to have significant alcohol problems.

4. The Director of the Division of Social Services estimates that approximately 50% of all social worker time spent on direct counseling and case management is concerned with clients for whom alcohol presents a "significantly complicating problem".

B. Public Assistance

Interviews with the Southeast Regional Manager of the State's public assistance programs and others in the Department of Health and Social Services (DHSS) familiar with the State's welfare recipients have yielded the following conservative estimates:

1. Approximately 15% of all AFDC cases are alcohol-related. In other words, in at least 15% of all cases, alcohol abuse is believed to have significantly contributed to such eligibility factors as income below a certain level and families with one parent absent or incapacitated.

2. Approximately 20% of all Aid to the Disabled cases are alcohol-related; thus, it is the opinion of the Division that alcohol contributes significantly to the disability or lowered income of 20% of the recipients.

3. By determining the number of individuals who qualified for a Medicaid payment by virtue of their eligibility for AFDC or Aid to the Disabled, and by then applying the above percentages to this group of individuals, it is estimated that at least 6% of the State's Medicaid patients find themselves in a position of dependency due in large part to excessive drinking.

C. Mental Health

A tabulation of discharge reports for Alaska Psychiatric Institute indicates that, in FY 76, 29.5% of all discharges had an alcohol-related primary or secondary diagnosis. A similar tabulation for out-patient discharges from community and State-operated mental health clinics indicates that 4% of these services are alcohol-related.

D. Public Health

The Public Health nurses estimate that 15% of the home accidents that they see and treat are related to alcohol abuse. The percentage varies according to region and bush versus urban setting. In the bush areas the percentage will range from 2% to 40% as some areas are "dry" areas, while others are unrestricted. In the urban areas the problem is not as noticeable as the nurses are not as intimately involved in the handling of cases, especially in Anchorage and Fairbanks.

E. Education

Though any quantification of alcohol-related problems among the state's school age population remains elusive, such information does exist for the State's Boarding Home Program. A tabulation of "termination reports" for Boarding Home students indicates that during the 1975-76

school year, 20 students were sent home early due to serious drinking problems (either drinking regularly or getting into trouble while intoxicated). A total of 1,026 children began the program, and 872 completed a full year. It is estimated by the former director of the program that an additional 10% of the Boarding Home students drink excessively but do not get into trouble serious enough to warrant their early dismissal from the program.

F. Fires

According to the State Fire Marshal, there were 31 fatalities from fire in Alaska in 1975. Of these 31, 10 were positively identified as alcohol-related. These 31 fatalities resulted from 25 fires, 8 of which have been positively identified as alcohol-related while 8 others are possibly related.

Thus far in 1976 (through July), there have been 15 fatalities from fire, 10 of which have been judged to have been alcohol-related. These 15 fatalities resulted from 10 fires, 6 of which were alcohol-related.

G. Boating Accidents

According to the Coast Guard Office of Boating Safety (OBS), there were 62 deaths from boating accidents in Alaska in 1975. Whether or not alcohol was involved is unknown for 15 of these fatalities. Of the remaining 47, OBS has judged 30 to be alcohol-related. It is felt that a similar proportion probably applies to the other 15 fatalities for which the possible involvement of alcohol remains unknown.

H. Traffic Safety

1. The Alaska Traffic Safety Bureau (ATSB) has determined that, in 1975, 45% of fatal accidents (46% of traffic fatalities) were alcohol-related.

2. The national average for OMVI arrest per 1,000 licensed drivers in 1975 was 9.1 (taken from Department of Transportation Highway Safety Report for Congress, 1975). This compares with an Alaska rate of 15.0 for the same year (figure compiled from state trooper and municipal police reports, and the Division of Motor Vehicle records). The Alaska rate for 1974 was 11.6, and for 1973 was 12.5.

3. OMVI recidivism - It has further been determined that, in 1975, 33% of all OMVI arrests in Alaska had been arrested on the same charge at least once before (taken from convicted driver files, Division of Motor Vehicles, Department of Public Safety).

4. The ATSB reports that the average Blood Alcohol Content (BAC) statewide at the time of an OMVI arrest is .177. In 71% of OMVI arrests, the BAC was determined to be .15 or over. Under current State law, an individual with a BAC of .10 or over is presumed intoxicated. This means that only the most serious offenders are currently arrested, and that Alaska's unusually high rate of OMVI arrests per 1,000 licensed drivers is not a result of unusually strict enforcement.

I. Criminal Justice

1. The administrator of the Violent Crime Compensation Board estimates that 50% of those cases for which a compensation grant was made in FY 76 were alcohol-related.

Information shown under #2 - #5 has been extracted from "Alcohol and the Alaskan Offender" by Judy Hill, Division of Corrections, 1975.

2. In 1969, a survey was conducted by the Office of Vocational Rehabilitation of one half the total inmate population at 12 Alaskan State and City jails and at 3 Federal prisons (Alaskan inmates only). Of 173 sampled, 62 had been charged with "Drunk in Public". Excluding

these 62, 68% of all others stated that they had been drinking at the time of the offense. (Including the 62 charged with Drunk in Public, the figure would be 80%.)

3. In a 1974 Division of Corrections random sample of District Court misdemeanor cases in Anchorage, 42% of the charges were directly alcohol-related (OMVI, Drunk on Roadway, Disorderly Conduct).

4. In a Division of Corrections sentencing study for 1974, it was found that 37% of all sentences in Anchorage during that year were directly alcohol-related (17% for OMVI, 10% Drunk on a Roadway, 10% Disorderly Conduct). These figures were taken from Commitment and Release cards in the Division of Corrections. In Fairbanks, Juneau and Ketchikan, data recorded for all offenders sentenced to time in jail during the last six months for 1974 indicates that 41% of all sentences were for alcohol-related offenses.

5. In a 1975 Division of Corrections study of 103 Anchorage offenders with sentences of 6 months or more, 84% stated on anonymous questionnaires that they had been drinking at the time of the offense. The following table summarizes the relationship in this sample between alcohol use and major violent and non-violent offenses:

Alcohol at time of offense, violent crime	44%
Alcohol at time of offense, non-violent crime	40%
No alcohol, violent crime	3%
No alcohol, non-violent crime	8%
Unknown	<u>5%</u>
	100%

J. Per Capita Alcohol Consumption

The table on page 2-8 gives per capita consumption comparisons among the states for 1972 (the last year for which we have comparative

data on this scale). Alaska ranks fourth behind Nevada, New Hampshire and Vermont. Factors contributing to high consumption in these three states include: Well established tourist industry; and/or low taxes/ prices compared with neighboring states; and/or, in 1972, lower drinking ages than neighboring states (e.g., Massachusetts). The table is lifted from a booklet entitled Alcohol and Health by HEW, June, 1974.

An earlier booklet in the same series, prepared by HEW, offers the same kind of table for 1970. The 1970 figures permit us to make some international comparisons. Per capita consumption figures for a wide selection of countries in 1970 are available in a paper presented to the Education Commission of the States by Jan De Lint of the Toronto Addiction Research Foundation. One of the countries in the selection is the United States, for which a per capita consumption rate of 9.74 litres of absolute alcohol per year is given. The 1970 figures from HEW declare that the U.S. per capita consumption rate of absolute alcohol was 2.61 U.S. gallons, or 9.88 litres. In both cases, the population base used in the calculations are all residents 15 years old or older. Given the close similarity of these figures, we feel justified in converting the Alaska per capita consumption rate in 1970 given by HEW into litres, and then comparing Alaska with the other countries on De Lint's list. This is shown on the second table. Though France and Italy seem to be in a class by themselves, Alaska's per capita consumption rate appears to be quite high in comparison with the rest of the world.

TABLE 1
APPARENT CONSUMPTION OF SPIRITS, WINE, AND BEER, AND
OF ABSOLUTE ALCOHOL FROM EACH, AND OF TOTAL ALCOHOL,
IN U.S. GALLONS PER PERSON IN THE DRINKING-AGE
POPULATION, U.S.A. AND BY STATES, 1972

State	Distilled Spirits	Absolute Alcohol	Wine	Absolute Alcohol	Beer	Absolute Alcohol	TOTAL Absolute Alcohol	Rank Order
Alabama	1.86	0.80	0.63	0.09	16.93	0.76	1.65	43
Alaska	5.06	2.18	2.93	0.43	27.87	1.25	3.86	4
Arizona	2.61	1.12	2.46	0.36	34.70	1.56	3.04	9-10
Arkansas	1.38	0.59	0.95	0.14	17.66	0.79	1.52	50
California	3.17	1.36	4.66	0.68	26.60	1.20	3.24	6
Colorado	2.95	1.27	2.64	0.38	29.61	1.33	2.94	12
Connecticut	3.26	1.40	2.43	0.35	21.81	0.93	2.73	21
Delaware	3.79	1.63	1.87	0.27	28.15	1.27	3.17	8
Florida	3.69	1.59	2.36	0.34	28.99	1.30	3.23	7
Georgia	2.69	1.16	1.11	0.16	20.64	0.93	2.25	35
Hawaii	2.56	1.10	1.91	0.23	24.43	1.10	2.48	29
Idaho	1.20	0.77	1.94	0.28	30.65	1.38	2.43	32
Illinois	3.16	1.36	2.18	0.32	27.36	1.23	2.91	14-15
Indiana	1.72	0.74	0.86	0.13	22.76	1.02	1.89	41
Iowa	1.63	0.70	0.56	0.02	25.27	1.14	1.85	43
Kansas	1.59	0.68	0.57	0.03	21.32	0.96	1.72	47
Kentucky	1.93	0.83	0.70	0.10	22.33	1.01	1.94	39
Louisiana	2.04	0.88	2.20	0.32	28.11	1.26	2.46	30
Maine	2.35	1.01	1.63	0.24	29.32	1.35	2.60	25
Maryland	3.37	1.45	2.10	0.30	28.68	1.29	3.04	9-10
Massachusetts	3.18	1.37	2.54	0.37	26.50	1.19	2.93	13
Michigan	2.51	1.08	1.92	0.28	31.25	1.41	2.77	20
Minnesota	2.65	1.14	1.41	0.20	25.68	1.16	2.50	27-28
Mississippi	1.82	0.78	0.82	0.11	21.93	0.99	1.82	42
Missouri	2.18	0.94	1.34	0.19	25.66	1.15	2.23	38
Montana	2.52	1.08	1.14	0.16	31.95	1.57	2.61	18-19
Nebraska	2.42	1.04	1.10	0.16	28.81	1.30	2.50	27-28
Nevada	8.26	3.55	5.23	0.76	41.66	1.88	6.19	1
New Hampshire	7.41	3.19	2.67	0.39	40.93	1.84	5.42	2
New Jersey	3.14	1.35	2.90	0.42	25.32	1.14	2.91	14-15
New Mexico	2.38	1.02	2.42	0.35	32.08	1.44	2.81	18-19
New York	2.93	1.26	3.06	0.44	25.73	1.16	2.86	15
North Carolina	2.08	0.89	1.50	0.22	18.33	0.82	1.93	40
North Dakota	2.80	1.20	1.15	0.17	29.26	1.32	2.69	24
Ohio	1.84	0.79	1.40	0.20	30.33	1.72	2.71	22-23
Oklahoma	1.79	0.77	1.05	0.15	19.67	0.88	1.60	44
Oregon	2.13	0.92	3.29	0.48	28.15	1.27	2.67	26
Pennsylvania	1.83	0.81	1.50	0.22	28.66	1.29	2.32	34
Rhode Island	2.77	1.19	2.97	0.43	30.62	1.33	3.00	11
South Carolina	2.95	1.27	1.52	0.22	21.17	0.55	2.44	31
South Dakota	2.19	0.94	1.15	0.17	23.44	1.05	2.16	33
Tennessee	1.50	0.64	0.79	0.11	22.09	0.99	1.74	46
Texas	1.76	0.76	1.42	0.21	31.95	1.46	2.41	33
Utah	1.37	0.59	1.05	0.15	18.15	0.82	1.56	45
Vermont	4.41	1.90	3.15	0.46	34.78	1.56	3.92	3
Virginia	2.35	1.01	1.51	0.22	22.29	1.00	2.23	37
Washington	2.36	1.01	3.03	0.44	28.05	1.26	2.71	22-23
West Virginia	1.74	0.75	0.69	0.10	20.00	0.50	1.75	45
Wisconsin	3.04	1.31	1.87	0.27	39.73	1.79	3.37	5
Wyoming	2.81	1.21	1.36	0.20	32.10	1.44	2.85	17
District of Columbia	5.91	4.26	6.31	0.91	30.56	1.37	6.54	
U.S.A.	2.60	1.12	2.16	0.31	26.62	1.20	2.63	

Amounts calculated from tax-paid withdrawals only. The drinking-age population is taken as 15 years and older.

Source: Efron, Keller and Gurioli (20).

1970 TOTAL ALCOHOLIC BEVERAGE CONSUMPTION PER CAPITA

15 YEARS AND OLDER IN LITRES OF ABSOLUTE ALCOHOL

Country	1970
France	23.98
Italy	20.73
Spain	16.89
Luxembourg	16.21
W. Germany	16.04
Portugal	15.72
CSSR	14.55
Switzerland	14.52
ALASKA	14.23
Austria	13.29
Belgium	13.21
Hungary	12.95
Australia	11.68
N. Zealand	11.02
E. Germany	10.47
Yugoslavia	10.36
U.S.A.	9.74
Denmark	9.70
Canada	9.58
Gt. Britain	8.32
Sweden	7.94
Netherlands	7.81
Poland	7.52
Rep. Ireland	7.27
Finland	6.33
Norway	4.37

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CHAPTER THREE

DIRECT COSTS OF ALCOHOL USE AND
ABUSE TO THE STATE OF ALASKA

Cost to State Government

The following is an attempt to summarize direct alcohol related costs to State government. Only State general funds costs are given. The list is not exhaustive. For example, we are unable to estimate lost time, excess sick leave, and lowered productivity among State employees due to alcohol, and therefore, cannot translate these into dollar costs. We have not attempted to estimate overhead costs in agencies such as the Department of Administration and the Governor's Office incurred in relation to alcohol-related program activities. In the absence of alcohol, we have no idea how much less the State might pay for fire insurance on State-owned buildings around the State, and for employee benefits such as health insurance and workmen's compensation. Where "ballpark" figures have been used, they are conservative.

	<u>FY 76 General Fund Cost</u> <u>(Thousands of Dollars)</u>
1. <u>Office of Alcoholism</u>	1897.7
100% of General Fund Budget	
2. <u>Alcoholic Beverage Control Board</u>	263.4
100% of General Fund Budget	
3. <u>Division of Mental Health and</u>	1252.9
<u>Developmental Disabilities</u>	
29.5% of API, General Fund in FY '76=1203.7	
4% of Community and State-operated mental health	
clinics (GF)=43.2	
Total=1252.9	
4. <u>Division of Social Services</u>	1500.0
Derived from the following percentages applied	
against General Fund costs estimated by the	
Division in the areas of Foster Care, Institutional	
care, Protective Services and Social Work.	

FY 76 General Fund Cost
(Thousands of Dollars)

- 45% of child neglect
- 26% of child abuse
- 50% of direct counseling and case management
- 35% of information and referral services
- 10% of Homemakers services

5. Division of Public Assistance 1706.3

Derived from following percentages applied against General Fund costs.

15% of AFDC =	902.9 GF
20% of Aid to Disabled =	324.8 GF
Approximately 6% of Medicaid =	<u>478.6 GF</u>
TOTAL	1706.3

6. Department of Law - Prosecution 777.2

A survey of professional staff in the Juneau District Attorney's Office revealed that 35% of staff time in that office was devoted to prosecuting alcohol code/use of alcohol violations. This does not include other offenses in which alcohol use may have been involved. 35% figure applied statewide against FY 76 budget to yield estimate of 777.2 GF.

7. Public Defender 830.8

Based on an informal survey of attorneys in the Public Defender agency, their office reports that approximately 60% of their staff time is spent on alcohol-related cases, including both direct violations of alcohol statutes and other offenses

in which excessive drinking was involved.

60% of Public Defender budget = 830.8 GF.

8. Court System 1476.6

The following estimates on the number of alcohol-related cases were obtained from the administrative office of the Court System. The respondents felt that these figures were conservative:

- 60% of traffic misdemeanors
- 80% of alcohol/drug law misdemeanors
- 30% of all misdemeanors involving violence
- 30% of all felonies involving violence
- 15% of all felonies against property

The resulting numbers of cases were multiplied by \$245/case for misdemeanors and \$735/case for felonies. Result = 1476.6 GF.

9. Department of Public Safety 3327.8

Percentage of alcohol-related cases given by the Court System were applied against the different categories of arrests made by State Troopers in 1975 as follows:

Part I crimes

- 30% of violent crime arrests
- 15% of property crime arrests

Part II crimes

- 30% of violent crime arrests
- 100% of OMVI, liquor law arrests
- 75% of Disorderly Conduct arrests

This resulted in a total of 2106 estimated alcohol-related arrests out of 6700 total arrests, or 31%. Of the 2106 estimated as alcohol-related, 1626 were for OMVI and liquor law violations.

FY 76 GF cost for trooper detachments and CIB was 9036.5. Adding in the records section, lab, administration, and communications budgets, the total is 10,734.8. $31\% \times 10,734.8 = 3327.8$.

10. Division of Corrections 2941.9

The Division has thus far been unable to estimate the proportion of inmate days for alcohol related offenses to the total number of inmate days in the Correctional System. Therefore, based on the crime and alcohol data gathered by Judy Hill, (previously discussed) we believe it is certainly fair and quite conservative to add 20% of the Corrections GF budget to the list of costs. Excluding the Violent Crimes Compensation Board, the GF budget for the Division of Corrections in FY 76 was 14,709.3. $20\% \text{ of } 14,709.3 = 2941.9$.

11. Violent Crimes Compensation Board 70.0

Administrator of Board estimates that 50% of compensation grants are for alcohol-related crimes. FY 76 grant awards amounted to approximately 140.0

FY 76 General Fund Cost
(Thousands of Dollars)

12. Department of Revenue 53.9
Estimate from Department on employee time spent reviewing alcohol beverage tax returns and periodic audits of these taxpayers.
13. Education 100.0
Based on interview with Juneau school superintendent. Estimate of State general funds used statewide to buy school nurse and health education counseling time related to alcohol.
14. Division of Public Health 87.0
Division estimates that Public Health Nursing time for alcohol-related home accidents costs approximately 50.0. Family Health time spent counseling chronic alcoholic women during child bearing years (e.g., on fetal alcohol syndrome) costs approximately 15.0. Laboratory costs in FY 76 related to inspection of breath alcohol devices used in Public Safety for OMVI determination = approximately 12.0. Total = 87.0.
15. Municipal Revenue Sharing 1521.7
The State distributes funds to municipalities for a variety of purposes, including police, fire protection and health facilities construction and operation. In FY 76, \$2,842,980 was distributed for municipal police. Using the 31% figure derived for the state troopers on the proportion of alcohol-

related activities, we estimate that 881.3 of this amount is alcohol-related (31% of 2843.0). For fire protection in FY 76, \$2,316,979 was distributed to municipalities. Based on our information from the Fire Marshal, we believe it to be both fair and conservative to estimate that 20% of these costs are alcohol-related. 26% of 2317.0 = 463.4. Finally, the Department of Community and Regional Affairs has determined that 177.0 was distributed for direct alcohol-related health facilities operation and construction.

	881.3	
	463.4	
	<u>177.0</u>	
TOTAL	1521.7	
Total General Fund alcohol-related costs listed above (1975-76 fiscal year)		17,807.2

State Taxes Unique to Liquor Industry

For calendar year 1975, the Department of Revenue reports that the liquor industry paid \$6,597.2 in alcohol excise taxes and \$854.9 in liquor license fees. The sum of these two is \$7,452.1. The Distilled Spirits Council of the United States (DISCUS), an organization of the liquor industry, states in its publication "Public Attitudes & Economic Progress" that the industry contribution to Alaska state revenues in 1974 was \$6,489.0.

The difference, then, between identified alcohol-related costs in FY 1975-76 and tax revenues from the liquor industry in calendar year 1975 is:

$$\$17,807.2 - \$7,452.1 = \$10,355.1$$

A number of comments are appropriate here: (1) Assuming that total alcohol consumption has been increasing in Alaska over the past several years, if only as a reflection of population increase, we expect that tax revenues from the liquor industry during Fiscal Year 1975-76 are somewhat higher than revenues for calendar year 1975, for which we have data. (2) Some unknown downward adjustment should be made to the identified State costs due to the fact that alcohol cannot be held solely responsible for many of these problems and associated State activities. We have defined an "alcohol-related event" as one in which alcohol is judged to have been a significant contributing factor -- but not necessarily the only contributing factor. (3) We have presented the deficit of costs to revenues for one year only, but have ignored the cumulative deficit the State has been covering with other revenues for years past. If the State were to increase liquor taxes and fees to cover an agreed upon cost in FY 76, this would in no way repay the state for past deficits nor would it prevent future deficits from occurring. State costs rise, at a minimum, with inflation - however, excise taxes are a flat dollar amount on gallonage and do not rise with inflation. (4) As noted earlier in this report, there are a number of significant alcohol-related costs in State government (lowered productivity, higher benefit rates, higher insurance rates, overhead costs), which have not been included in our list due to our present inability to quantify them. (5) We believe our estimates to be conservative, particularly for the criminal justice system. Informal estimates concerning the proportion of alcohol-related cases in the Court System, the Division of Corrections, and the Department of Law are considerably higher than those used in this report.

(6) Recommendations from the Office of Alcoholism to be reviewed by the Committee in the near future concerning State funded rehabilitation services would cost roughly \$3 million additional per year. If approved by the Committee, the Governor and the legislature, this additional expenditure should be covered by liquor industry taxes.

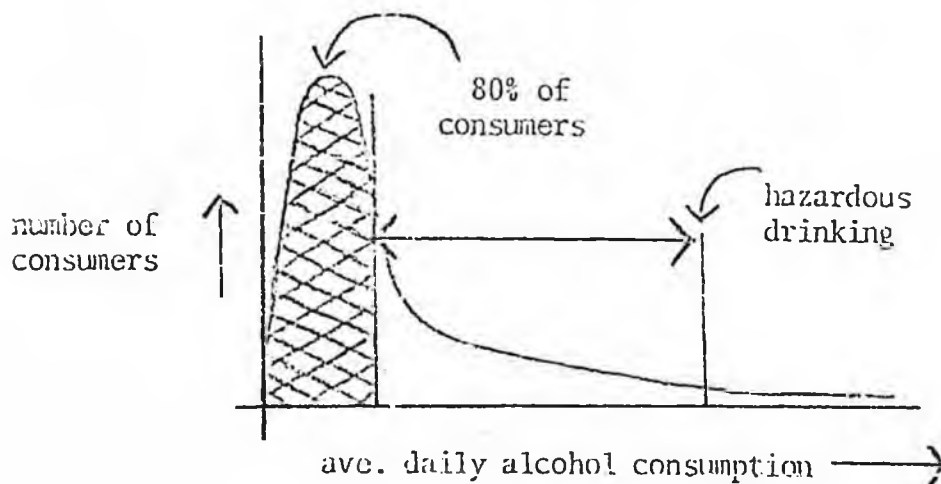
Taking all these factors into account, we believe it is quite justifiable for the State to raise an additional \$10 million per year from liquor taxes and fees. Our recommendation on excise tax increases, presented in the next section, would raise approximately \$9.7 million additional revenue per year.

CHAPTER FOUR
PREVENTION AND CONTROL

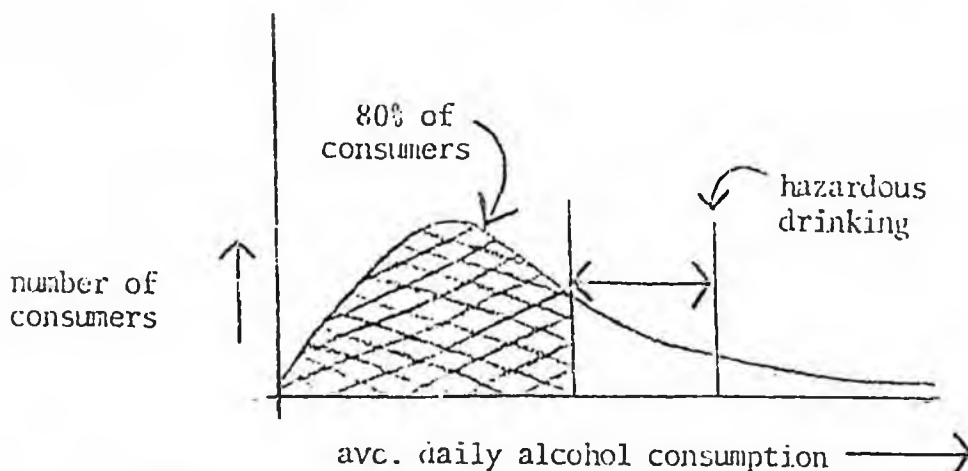
It is a reasonable goal for the State of Alaska to attempt to reduce the incidence of alcohol related problems as expressed in the first part of this report. It is suggested that the most effective, and probably the only, means to accomplish this goal is to reduce the incidence of excessive drinking within the State. To this end, it is helpful to know whether excessive drinking in Alaska involves substantial deviance from prevailing drinking patterns or whether it instead differs primarily in degree from the accepted norm and is therefore more a function of societal drinking levels than of individual difficulties.

There have been numerous studies of the frequency distribution of alcohol use in various societies*, which have yielded the following relationship between per capita consumption in a society and patterns of use:

In a society with low per capita consumption:



In a society with high per capita consumption:



* Jan Delint, "The Prevention of Alcoholism," Preventive medicine 3

Excessive drinking in a low-consumption population implies a major departure from prevailing drinking customs, while excessive use in a high-consumption population differs from prevailing custom primarily in degree. Consumption statistics presented earlier define Alaska as a high-consumption society.

Using frequency distribution curves as outlined above, Jan DeLint of the Addiction Research Foundation in Toronto has estimated rates of excessive drinking in a selection of countries based on per capita consumption data. The graph on the next page demonstrates that, if the frequency distribution curves postulated above are indeed valid, then excessive drinking increases and decreases in direct proportion to per capita consumption in the society at large. Studies on the relationship between liver cirrhosis death rates and per capita alcohol sales (Popham 1970) support this conclusion. Though we are not in a position to prove or disprove this relationship, we are persuaded that, in Alaska, the custom of comparatively heavy drinking in the society at large is the most important determinant of excessive drinking and its undesirable effects within the State. One implication of this is that it is extremely unlikely that a reduction in excessive consumption can be accomplished without a reduction in per capita consumption, i.e. without a lowering of general drinking levels. Another implication is that Alaska's alcohol-related problems are not traceable to a distinct group of cultural deviants but rather to those who, either often or only occasionally, embrace our Alaskan drinking ethic more than most.

It is therefore the conclusion of this committee that State policy should be directed towards a deliberate reduction in per capita alcohol consumption in Alaska, with the expectation that the incidence of excessive drinking will decline as a result. In other words, it is our opinion that, without a significant change in prevailing drinking customs in Alaska, efforts to

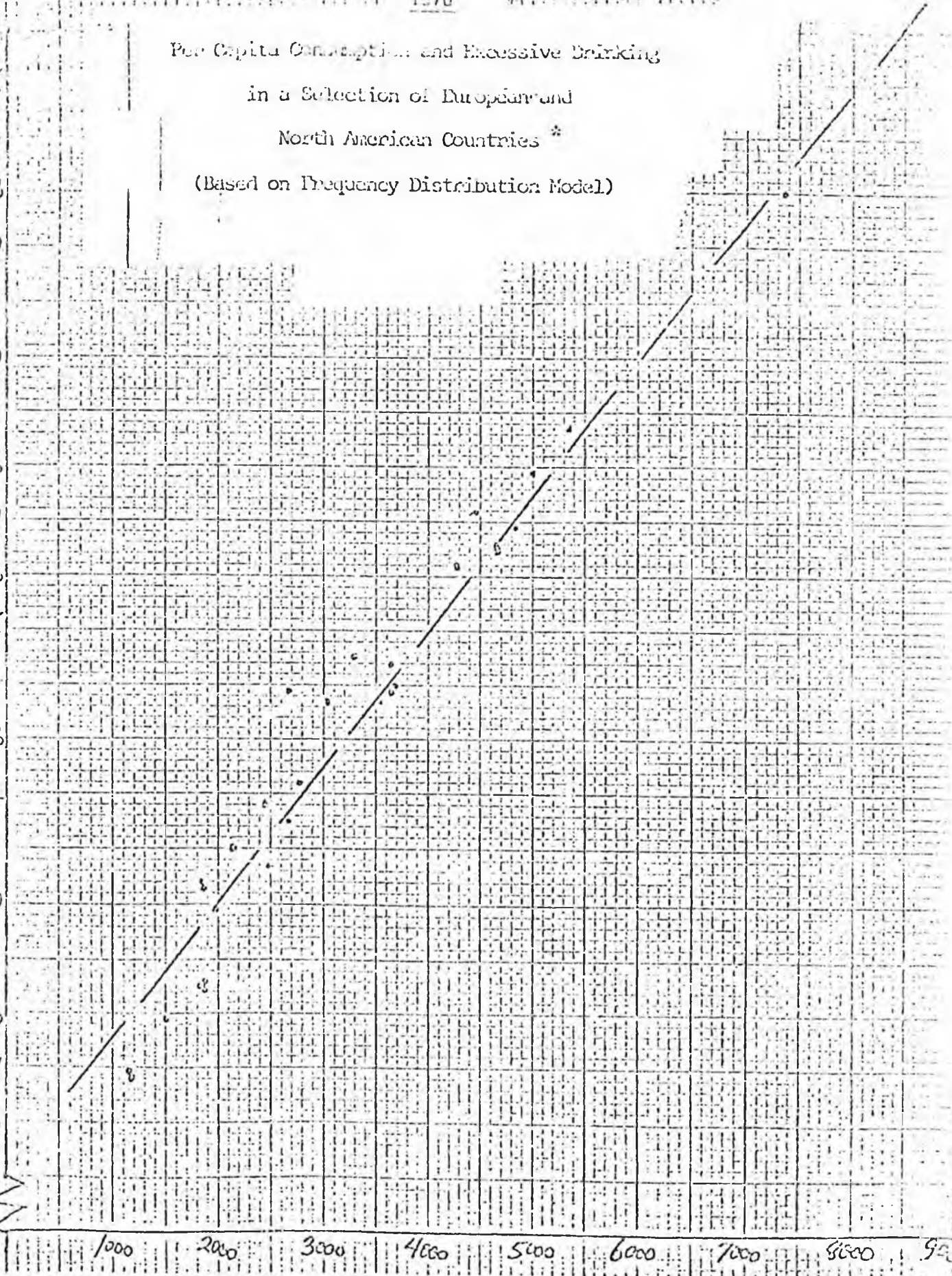
Per Capita Consumption and Excessive Drinking
in a Selection of European and
North American Countries *
(Based on Frequency Distribution Model)

liters absolute alcohol
per person (drinking age) per year

25
24
23
22
21
20
19
18
17
16
15
14
13
12
11
10
9
8
7
6

1000 2000 3000 4000 5000 6000 7000 8000 9000

Rate of Excessive Alcohol Use per 100,000 population
(15 cl absolute alcohol or more daily)



reduce the rate of excessive consumption, though well-intentioned, will almost assuredly be futile. The question, then, is how can and how should State government attempt to reduce per capita consumption.

A. Price Increase

The following table from the Finnish Foundation for Alcohol studies, 1974, summarizes the investigations thus far conducted on the price elasticity of alcoholic beverages. The price elasticity values shown in the far right column indicate the percentage decrease in consumption that would result from a 1 per cent increase in price. Though obviously there are wide variations in these figures, all of the studies have concluded that some decrease in consumption should be expected given an increase in price. In this respect, alcohol behaves on the market like other commodities. The following chart on price and consumption in Ontario lends further support to this view. To be sure, a price increase will not directly deter most individuals from getting drunk if such is their strong desire. However, we do assert that a price increase will have a lowering effect on overall consumption levels; and since we believe the overall levels to be the prime determinant of excessive drinking, such a lowering of prevailing consumption levels should, in turn, reduce the incidence of excessive drinking. The obvious mechanism to increase price is the State excise tax. The table on p. 4-9 shows the current Alaska excise tax rates as compared with 30 other license States as of January, 1975.

Although Alaska's excise tax rates are already comparatively high, so is per capita disposable income (see p. 4-10). Though these income levels have not been adjusted for cost-of-living, neither have the tax rates. The table on p. 4-10 estimates Alaska's per capita disposable income in 1975 to have been \$7,437. Georgia, with the highest excise tax rate on wine, had per capita disposable income of \$4,306 in the same year. South

INCOME AND PRICE ELASTICITIES OF DEMAND FOR DIFFERENT ALCOHOLIC
BEVERAGES IN A NUMBER OF COUNTRIES*

Author	Country and time period	Beverage	Income Elasticity**	Price Elasticity
Malmquist	Sweden 1923-1939	Spirits	0.3	-0.3
		Wine	1.2	-0.9
Malmquist	Sweden 1923-1939	Liquor	0.3	-0.37
		Wine	1.32	-0.72
Sundström & Ekström	Sweden 1931-1954	Spirits	0.9	-0.3
		Wine	2.0	-1.6
Weyling & ...	Sweden 1920-1954	Spirits	0.6	-0.4
		Wine	0.9	-1.6
		Medium Beer	0.6	-1.2
Mitfeldt & ...	Sweden 1956-1962	<u>Off-sale:</u>		
		Vodka	0.0	-0.9
		Other spirits	1.4	-2.9
		Fortified wines	0.2	-0.7
		Light wine	-	-0.6
		Strong beer	1.9	-3.0
		Spirits	0.4	-1.2
		Wine	(0.9)	-0.7
		Spirits + Wine	0.7	-1.0
		<u>On-sale:</u>		
		Vodka	1.0	-0.3
		Other spirits	0.2	-0.5
		Strong beer	2.0	-0.1
...berg	Finland 1949-1962	Vodka	0.42	-0.13
		Other spirits	1.30	-0.95
		Wines	0.97	-0.83
		Malt beverages	0.23	-0.43
		Total off-sales	1.05	-1.17
		Total on-sales	0.94	-0.99
		Total sales	1.01	-1.11
...one	United Kingdom 1920-1938	Spirits	0.6	-0.6
		Imported wine	1.4	-0.6
		Domestic wine	1.7	-0.3

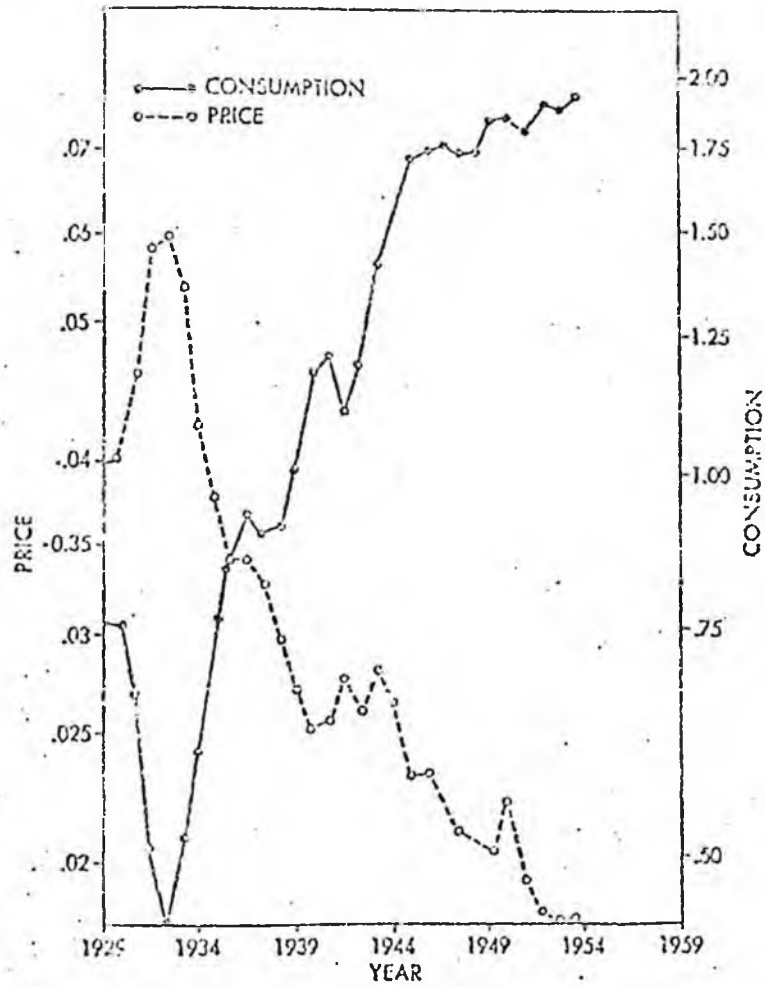
Author	Country and time period	Beverage	Income Elasticity**	Price Elasticity***
Stone	United Kingdom 1920-1938	Spirits	0.54	-0.72
		Beer	0.14	-0.73
Hish & Walsh	Ireland 1953-1967	Spirits	1.94	-0.57
		Beer	0.78	-0.17
Simon	United States 1955-1961	Spirits	-	-0.97
Kananen	United States 1934-1954	Spirits	-	-1.74
Iskanen	United States	Spirits	-	-1.42
Iskanen	United States 1934-1941, 1947-1960	Spirits	-	-2.0
Schweitzer	Canada	All alcoholic beverages	0.88	-0.19
Su	Canada 1949-1969	Spirits	0.68	-1.65
		Wine	1.43	-1.65
		Beer	0.20	-0.03

Osterberg, B. The pricing of alcoholic beverages as an instrument of control policy, Finnish Foundation for Alcohol Studies, Helsinki, 1974.

The income elasticity values indicate the percentage increase in consumption that would result from a 1 per cent increase in income.

The price elasticity values indicate the percentage decrease in consumption that would result from a 1 per cent increase in price.

ALCOHOL PRICE AND CONSUMPTION IN ONTARIO



Price == the price of an average gallon of absolute alcohol expressed as a fraction of an average disposable income
 Consumption == the consumption in gallons of absolute alcohol per person 20 years and older

OF LICENSE STATES AND THE DISTRICT OF COLUMBIA ROUNDED ACCORDING TO MAGNITUDE,
and by the Federal Government.*

As of January-14, 1975

(11-24-75)

Distilled Spirits		Table Wine		Dessert Wine		Beer	
State	Rate Per Gallon	State	Rate Per Gallon	State	Rate Per Gallon	State	Rate Per Gallon
1	2	3	4	5	6	7	8
Ak. proposed	\$6.22	Ak. proposed	\$1.93	Ga.	\$2.50	Ak. proposed	.89
Minn.	\$4.39	Ga.	\$1.50	Ak. proposed	\$1.93	S. Car.	.765
Alaska	4.00	Fla.	1.15	Fla.	1.60	Ga.	.322
Okla.	4.00	Tenn.	1.10	Tenn.	1.10	La.	.322
Tenn.	4.00	S. Car.	1.08	S. Car.	1.08	Okla.	.322
Fla.	3.75	Ark.	.75	Okla.	1.00	Fla.	.320
Ga.	3.75	Neb.	.75	S. Dak.	.95	S. Dak.	.267
Mass.	3.36	Alaska	.60	Minn.	.79	Alaska	.250
N. Y.	3.25	Ky.	.50	Ark.	.75	Ark.	.234
S. Dak.	3.05	N. Dak.	.50	Neb.	.75	Texas	.169
N. J.	2.80	Okla.	.50	Alaska	.60	N. Dak.	.160
S. Car.	2.72	Mass.	.46	Ill.	.60	Kansas	.150
Wisc.	2.60	Ind.	.45	N. Dak.	.60	Minn.	.129
Ariz.	2.50	Ariz.	.42	Kans.	.50	Tenn.	.116
Ark.	2.50	Del.	.40	Ky.	.50	Neb.	.100
Conn.	2.50	Md.	.40	Nev.	.50	Ind.	.095
La.	2.50	N. Mex.	.40	Mass.	.46	Md.	.090
N. Dak.	2.50	R. I.	.40	Ind.	.45	Mass.	.088
R. I.	2.50	Mo.	.30	Ariz.	.42	Conn.	.081
Ind.	2.28	Nev.	.30	Del.	.40	Ky.	.087
Del.	2.25	N. J.	.30	Md.	.40	Ariz.	.080
Calif.	2.00	S. Dak.	.30	N. Mex.	.40	N. Mex.	.080
D. C.	2.00	Minn.	.27	R. I.	.40	D. C.	.073
Ill.	2.00	Conn.	.25	Wisc.	.39	Ill.	.070
Mo.	2.00	Ill.	.23	Texas	.34	Del.	.065
Neb.	2.00	Colo.	.20	D. C.	.33	R. I.	.065
Texas	2.00	Kans.	.20	Colo.	.30	Wisc.	.065
Ky.	1.92	Wisc.	.195	Mo.	.30	Colo.	.060
Nev.	1.90	Texas	.17	N. J.	.30	No.	.060
Colo.	1.80	D. C.	.15	Conn.	.25	Nev.	.050
Kansas	1.50	La.	.11	La.	.21	N. Y.	.044
Md.	1.50	N. Y.	.10	N. Y.	.10	Calif.	.040
N. Mex.	1.50	Calif.	.01	Calif.	.02	N. J.	.033
Median of State Taxes	2.50		.40		.455		.089
Average of State Taxes	2.60		.51		.60		.152
Fed. Tax	10.50**		.17		.67		.20**

*Hawaii, the only other license state, levies an excise tax on alcoholic beverages of 20 percent of the wholesale price.

**Per proof gallon if withdrawn from bond at over 100° proof and per wine gallon if withdrawn from bond at not over 100° proof.

** Actual rate is \$9.00 per 31 gallon barrel.

Table 3.—Total and Per Capita Disposable Personal Income by States and Regions

State and region	Total								Per capita						
	Numerical dollars					Avg. annual growth (Percent)			Dollars					Avg. annual growth (Percent)	
	1952	1953	1954*	1955*	1952-53	1953-54	1954-55	1952	1953	1954*	1955*	1952-53	1953-54		
United States.....	327,938	605,343	501,323	930,896	1,071,227	6.6	9.1	9.5	1,595	3,162	4,735	4,019	5,044	5.2	5.9
New England.....	21,431	51,711	51,037	59,797	61,181	5.4	8.0	9.7	2,091	3,358	4,451	4,512	5,725	5.1	7.1
New York.....	3,600	11,631	13,223	13,932	13,723	6.7	7.4	5.8	2,329	3,859	5,031	5,582	5,993	5.3	7.2
Massachusetts.....	1,659	2,629	3,255	4,241	4,438	5.5	9.4	6.2	1,629	2,629	3,562	4,015	4,217	5.1	5.1
Connecticut.....	10,535	17,079	20,559	25,011	33,633	6.1	7.9	9.5	2,009	3,277	4,461	4,530	5,733	5.1	7.1
Rhode Island.....	1,161	2,138	3,163	3,462	3,717	7.1	9.7	8.2	1,875	3,022	3,979	4,286	4,599	5.0	7.2
Vermont.....	1,331	2,591	4,650	4,217	4,720	6.3	7.6	11.5	1,503	3,212	4,156	4,532	5,191	5.6	7.5
New Hampshire.....	601	1,260	1,600	1,818	2,601	7.2	2.8	10.5	1,533	2,747	3,699	3,666	4,763	5.9	7.0
Midwest.....	82,656	117,102	128,118	211,159	221,411	6.0	7.6	9.0	2,151	3,510	5,711	5,029	5,511	5.0	5.7
Illinois.....	551	1,911	2,709	2,859	3,183	6.6	9.7	10.3	2,217	3,539	4,821	5,079	5,497	5.6	6.4
Indiana.....	1,551	4,013	4,011	4,325	4,717	7.0	7.4	9.5	2,423	3,901	5,461	5,525	6,430	5.0	6.3
Michigan.....	6,055	12,629	13,469	20,039	22,037	7.7	9.0	9.0	1,965	3,263	4,319	5,125	5,715	5.2	6.3
Ohio.....	11,089	25,611	26,313	37,353	42,557	6.6	8.1	7.5	3,317	5,155	6,929	5,312	5,954	4.5	5.7
Wisconsin.....	37,132	65,211	75,253	97,653	101,183	5.8	6.3	8.9	2,282	3,682	4,728	5,116	5,925	4.9	6.7
Minnesota.....	21,512	37,597	40,255	51,658	60,211	5.5	7.6	9.8	1,953	3,178	4,229	4,628	5,091	5.0	7.5
South Atlantic.....	73,831	133,687	181,423	180,077	216,415	6.1	8.3	9.3	2,155	3,255	4,518	4,517	5,282	5.0	6.7
Florida.....	22,676	40,192	51,421	59,044	61,784	5.8	8.1	9.7	2,261	3,694	4,857	5,395	5,814	4.5	7.6
Georgia.....	8,660	16,139	22,513	21,434	23,701	6.4	8.7	9.7	1,827	3,132	4,215	4,397	4,831	5.3	7.9
Alabama.....	15,097	23,304	29,289	45,093	48,799	6.8	3.7	9.9	2,022	2,822	3,526	3,526	4,326	5.3	6.8
South Carolina.....	19,447	31,200	46,561	53,860	51,600	5.9	7.7	8.6	2,011	3,212	4,334	4,769	5,079	5.0	7.2
Virginia.....	7,594	12,943	19,444	20,135	22,112	5.8	9.3	10.0	1,895	2,913	4,033	4,310	4,895	4.5	7.3
West South Central.....	26,748	48,613	73,302	75,691	82,603	6.2	10.8	10.1	1,700	2,602	4,467	4,495	4,599	5.5	7.1
Texas.....	4,731	8,591	13,223	12,851	11,687	6.0	11.7	11.2	1,725	3,033	4,633	4,597	5,117	5.7	11.1
Oklahoma.....	4,035	6,883	10,263	10,711	11,711	5.5	10.5	9.6	1,853	2,689	4,231	4,718	5,189	5.1	11.1
Missouri.....	8,874	11,391	17,697	17,599	19,267	6.8	10.7	4.6	1,715	3,070	4,367	4,512	4,691	5.6	9.6
Arkansas.....	7,657	13,534	19,595	20,624	22,211	5.9	8.9	8.2	1,845	3,697	4,110	4,317	4,691	5.0	8.1
Louisiana.....	2,492	4,517	6,813	6,969	8,211	6.2	10.7	12.9	1,781	3,651	4,447	4,449	4,529	5.6	9.6
North Dakota.....	869	1,622	3,263	3,178	3,256	6.6	19.1	4.8	1,391	2,613	5,117	4,933	5,112	6.5	13.5
South Dakota.....	858	1,760	3,682	2,687	3,063	7.0	11.6	7.3	1,311	2,659	4,476	4,187	4,988	7.0	11.0
Mountain.....	51,778	112,765	172,455	189,840	205,321	7.5	11.2	8.2	1,437	2,841	3,714	4,027	4,294	5.1	8.6
Montana.....	4,361	8,000	11,563	12,529	11,313	6.5	10.2	10.5	1,312	2,311	3,318	3,612	3,912	5.8	9.2
Wyoming.....	2,237	4,440	6,592	7,512	8,215	7.0	12.1	8.2	1,224	2,304	3,411	3,683	3,882	6.1	10.5
Idaho.....	8,240	19,294	31,283	37,614	40,289	9.0	11.5	7.1	1,714	2,916	4,317	4,649	4,831	5.0	10.7
Utah.....	3,615	12,210	14,189	19,769	21,213	8.1	10.3	7.3	1,432	2,683	3,775	4,020	4,297	6.5	9.9
Nebraska.....	4,193	7,992	11,571	12,869	13,791	6.6	9.9	7.2	1,809	2,877	3,877	3,871	4,091	5.9	8.2
Kansas.....	4,773	9,154	13,997	13,288	15,791	6.7	9.0	9.3	1,459	2,829	3,454	3,585	4,153	5.6	8.1
Mississippi.....	2,460	4,742	7,229	7,597	8,303	7.0	11.2	7.7	1,123	2,135	3,132	3,317	3,567	6.0	11.9
North Carolina.....	6,177	13,681	19,359	21,216	22,899	7.8	10.6	7.4	1,585	2,600	3,695	3,567	4,191	6.3	9.2
West Virginia.....	2,897	6,150	9,211	10,233	11,075	7.9	10.5	7.7	1,230	2,401	3,352	3,691	3,929	6.9	9.9
Delaware.....	4,977	9,505	14,915	16,393	17,631	7.1	10.8	7.8	1,418	2,512	3,437	3,567	4,211	6.0	9.4
District of Columbia.....	6,215	13,988	20,699	22,025	21,002	7.7	10.8	9.2	1,598	2,875	4,151	4,494	4,733	6.1	9.5
West Virginia.....	2,651	4,192	6,192	6,765	7,599	4.6	10.6	12.2	1,451	2,373	3,463	3,778	4,210	5.2	9.9
Northwest.....	23,462	45,659	69,237	76,159	81,582	5.0	10.7	11.1	1,691	2,825	3,919	4,222	4,417	5.3	7.5
Arizona.....	2,161	4,517	8,581	9,327	10,315	8.6	11.7	8.9	1,714	2,513	4,151	4,436	4,663	5.2	9.7
New Mexico.....	1,870	2,442	3,835	4,693	4,455	4.9	12.0	10.0	1,665	2,445	3,383	3,568	3,910	3.9	8.9
California.....	3,732	6,791	9,901	10,761	11,522	6.2	9.7	9.2	1,650	2,625	3,710	3,972	4,329	5.2	8.3
Oregon.....	10,039	21,517	47,683	51,848	57,900	7.1	10.3	11.7	1,705	2,882	3,981	4,333	4,732	5.1	8.4
Pacific.....	7,655	13,813	22,011	21,285	26,661	6.1	12.4	9.8	1,511	2,596	4,021	4,365	4,692	3.1	9.5
Washington.....	3,268	4,929	10,695	11,647	12,761	7.1	11.3	9.1	1,911	2,932	4,310	4,685	5,055	4.6	9.6
Oregon.....	1,691	1,891	2,512	3,491	3,561	5.7	11.7	3.3	1,691	2,675	3,792	4,330	4,849	4.9	9.1
California.....	1,181	1,890	2,519	3,643	3,491	4.8	11.2	13.2	1,765	2,704	4,034	4,195	4,667	4.6	10.5
Alaska.....	1,491	2,611	4,698	4,596	5,017	3.9	11.3	12.0	1,715	2,530	3,367	3,819	4,155	4.0	8.9
Hawaii.....	624	941	1,411	1,660	1,850	4.2	10.6	15.6	1,929	2,670	3,997	4,432	4,917	3.9	8.6
West.....	45,214	80,365	124,379	118,573	153,915	7.1	8.3	11.1	2,225	3,530	4,631	5,030	5,573	4.7	7.0
Alabama.....	35,481	71,211	97,421	104,372	120,331	7.2	8.1	11.0	2,307	3,613	4,717	5,182	5,696	4.6	6.9
Arizona.....	1,667	2,613	2,992	3,289	3,586	9.8	12.2	13.0	2,352	3,472	4,707	5,062	5,596	4.0	8.4
California.....	3,264	6,673	9,684	10,135	10,989	6.4	10.6	8.2	1,872	2,917	4,095	4,173	4,751	1.6	8.6
Washington.....	5,759	11,410	15,269	17,163	19,321	7.0	7.4	12.6	2,032	3,413	4,433	4,928	5,451	3.2	6.8
Northwest.....	1,035	1,639	1,917	2,618	2,618	12.2	34.3	10.0	3,463	4,967	5,775	7,437	8,111	9.9	10.0
Southwest.....	2,543	3,792	4,138	4,550	4,550	10.5	10.0	10.0	3,423	4,574	4,931	5,311	5,311	7.5	7.5
By Census Regions															
North Atlantic.....	21,491	39,794	51,037	54,767	61,181	6.4	8.0	9.2	2,091	3,358	4,451	4,512	5,282	5.1	7.1
West North Central.....	73,831	133,687	181,423	180,077	216,415	5.8	7.3	8.9	2,155	3,255	4,518	4,517	5,282	5.0	7.7
East North Central.....	50,719	88,611	103,292	108,601	121,033	6.2	10.8	10.1	1,700	2,602	4,467	4,495	4,599	5.5	10.1
South Atlantic.....	15,871	30,659	45,672	48,799	51,600	6.8	10.5	8.3	1,845	2,829	4,015	4,317	4,691	5.9	9.3
West South Central.....	26,748	48,613	73,302	75,691	82,603	6.9	10.2	10.7	1,781	2,602	4,467	4,495	4,599	6.0	9.1
Mountain.....	12,091	22,599	36,299	40,211	43,599	6.7	12.7	10.0	1,799	2,861	4,013	4,317	4,691	4.6	9.4
Pacific.....	41,731	79,277	127,117	111,756	157,791	7.5	8.3	11.3	2,291	3,524	4,630	5,091	5,591	4.7	7.0

* Revised. * Preliminary.

Note.—Detail may not add to totals because of rounding. Alaska and Hawaii included 1959 to date.

Carolina, with the highest excise tax rate on beer, had per capita disposable income of \$3,930, again in 1975. Given these observations, and keeping in mind our earlier proposal that the State exact approximately \$10 million additional revenue from the liquor industry, the following is proposed:

1) Raise the excise tax on beer from \$.25/gallon to \$.88/gallon. Current wholesale price of a gallon of beer, excise tax included, is approximately \$2.89/gallon. With a tax increase to \$.88/gallon, the wholesale price of beer should rise to approximately \$1.52/gallon. This would therefore entail a 22% increase on the wholesale level.

2) Raise the excise tax on wine from \$.60/gallon to \$1.93/gallon. Current wholesale price of a gallon of wine, excise tax included, is approximately \$8.89/gallon. With a tax increase to \$1.93/gallon, the wholesale price of wine should raise to approximately \$10.22/gallon. This would entail a 15% price increase on the wholesale level.

3) Raise the excise tax on distilled spirits from \$4.00/gallon to \$6.22/gallon. Current wholesale price of a gallon of distilled spirits, excise tax included, is approximately \$22.22/gallon. With a tax increase to \$6.22/gallon, the wholesale price of distilled spirits should rise to approximately \$24.44/gallon. This would entail a 10% price increase on the wholesale level.

The additional State revenue to be realized from such measures would be as follows:

	Proposed Tax Per Gallon	Current Tax Per Gallon	Proposed additional tax x Per Gallon	(000's) Alaska Total Consumption 1975 (gal)	(000's) = Additional Revenue
Beer	\$.88	\$.25	\$.63	8880.3	\$5594.6
Wine	1.93	.60	1.33	873.3	1161.5
Distilled Spirits	6.22	4.00	2.22	1359.4	<u>3017.9</u>
TOTAL					\$9774.0

It should be noted that the last excise tax rate increase took place in 1961, 15 years ago.* Since the excise tax is not a percentage rate on sales but rather a flat dollar amount on gallonage, there has been no corresponding increase in tax for increases in retail price (i.e., inflation) over the last 15 years. As a consequence, it is reasonable to assume that the price of beverage alcohol has been declining in proportion to disposable income in recent years. Though we believe the excise tax increases recommended above to be a necessary first step for purposes of 1) implementing State policy aimed at reduction of per capita consumption, and 2) collecting revenue from the liquor industry sufficient to offset current State costs identified as alcohol-related; we further believe that a new tax structure should eventually be implemented that will 1) prevent the price of alcohol from declining as a proportion of disposable income, and 2) ensure that tax revenue from the liquor industry will at least rise with inflation to help maintain a balance between alcohol-related costs and revenues in the future.

Concerning the structure of the excise tax increase we recommend, the following comments are offered:

1.) We have found no conclusive research evidence to indicate which alcoholic beverage tends to be most often associated with the incidence of alcohol-related problems. Does beer drinking typically precede incidents of concern to the public and to State government, or are such incidents more often preceded by the consumption of hard liquor? We do not know.

2) In at least two countries, Canada and Ireland, studies have shown the price elasticity of beer to be considerably less than that of distilled spirits. In other words, it was shown that beer sales are much less responsive to changes in price than are sales of distilled spirits in those two countries. We do not know if the same would be true in Alaska. If it is true, however, we would then have to decide whether an appropriate response would be (a) disregard the price availability of beer as an element of the State's program of counter measures, and concentrate price increases on distilled spirits, or (b) put the highest price increase on beer, with the idea that beer may require a higher price increase than other alcoholic

*Huber Report, p. 3.

beverages to bring about a given reduction in consumption. Were the State to choose option (a), we believe that the probable consequence would be to shift some portion of total drinking from distilled spirits to beer and wine. Though at first this would seem beneficial, we repeat that research evidence has not determined that beer drinking leads to fewer alcohol-related problems than does consumption of distilled spirits.

(3) The total consumption figures for beer, wine, and distilled spirits, given in the chart on page 4-11, can be played with in a number of ways. The first observation one can make is that many more gallons of beer are consumed than any other alcoholic beverage. We do not know whether or not this indicates that beer is the beverage of choice on the greatest number of drinking occasions. The total consumption figures can be translated into gallons of absolute alcohol, yielding the fact that the greatest volume of absolute alcohol is consumed from the drinking of distilled spirits. We do not know whether or not this indicates that the greatest amount of excessive drinking involves the consumption of distilled spirits. In short, we cannot interpret the total consumption figures in a way that proves useful in structuring the tax increase to respond best to the State's alcohol-related problems.

(4) Although we have attempted to analyze alcohol-related problems, costs, and proposed counter measures in relative disregard for current practice here or in other states, the Committee feels that current practice does impose some operational upper limits on what the Administration can successfully propose, especially as first steps. The chart on page 4-9 shows current and proposed Alaska excise taxes compared with 30 other license states. To our knowledge, no other State has succeeded in identifying alcohol-related costs borne by State government and then matched revenues to cover the costs. Nevertheless, we feel that resistance to tax changes we propose will increase sharply if the tax proposals are too far out

of line with the rest of the pack. But simply, we feel that our proposal to raise the excise tax on distilled spirits to \$6.72/gallon already presses the limits of political acceptability, even though this would only entail a 10% price increase on the wholesale level.

These were the primary considerations discussed in structuring our excise tax increase proposal. The tax rate increases are high compared with current rates in Alaska and in other license states. The wholesale price increases we expect from such measures are as follows: 22% for beer, 15% for wine, and 10% for distilled spirits. It is assumed that wholesale price increases will be passed on directly to the consumer. By way of comparison, it might be remembered that the State budgeted 10% inflation for FY 1977, and approximately 10% inflation for FY 75.

B. Local Sales Tax on Alcohol

It is further recommended that State law be changed to allow municipalities to levy a special tax on the sale of alcoholic beverages. This has been requested previously by the Alaska Municipal League, and we concur with the request for the following reasons: 1) Should a municipality decide to further raise the price of alcohol as a means of reducing consumption, we see no good reason for State law to prevent them from doing so. On the contrary, we believe that such action should be encouraged. 2) The demand for funds to expand alcohol abuse prevention and treatment programs is strong throughout the State. We believe that local communities should be responsible for funding such programs to the extent they are able. We have stated our belief that State costs attributable to alcohol consumption should be paid by alcohol consumers, in this case through the mechanism of the state excise tax passed on to the consumer as a portion of the retail price. Just as the State is reluctant to increase or draw more heavily upon general revenues to cover alcohol-related cost increases, municipalities are reluctant to increase property taxes in order to fund

purpose of the level they desire. We believe that local funding is analogous to state funding in this regard, and that therefore municipalities should be enabled to tax alcohol consumers to cover local alcohol-related costs. It is expected that such a provision in State law will eventually yield more money on the local level which may be used to increase funding of local alcohol-related programs.

C. Advertising

We are not aware of any studies that have specifically tried to measure the impact of alcohol advertising on per capita consumption. There seem to be two major types of alcohol advertising: 1) national or regional advertising that promotes a particular name brand of alcoholic beverage, and 2) local advertising that promotes drinking at a particular establishment or package sales from a particular outlet. It is often argued that "type 1" advertising does not increase total consumption, but is rather a battleground of corporate competition for an increased share of the existing market. The removal of cigarette ads from radio and TV is cited as a fitting analogy, for cigarette sales did not decline as a result. We do not know what cigarette sales would have been had radio and TV ads continued. Also, it does not seem reasonable to us that the repetitive portrayal of cigarettes and/or alcohol as a natural accompaniment to the good life is wholly without effect on acceptance of drinking and smoking, and on total consumption. From the perspective of the individual advertiser, it would seem easier to woo part of the existing market from other brands than to attempt to increase total consumption and win the allegiance of the new market. This may well be the intent of "type 1" advertising, though we are not convinced that total consumption is not increased in the process.

"Type 2" ads generally consist in direct appeals to come in to a local bar, restaurant, or liquor store and buy alcohol. Such appeals take a number of forms, such as advertising reduced sale prices, convenient shopping hours

and wide selection in liquor stores, "happy hours" and the like in bars and restaurants, convivial settings for watching football games, friendly conversation over your favorite beverage, etc. It might be argued that the intent of "type 2" ads is similar to the intent of "type 1," i.e., to compete for market share rather than to increase total consumption. The intent of "type 2" ads may be to maintain the visibility of one's establishment in the minds of those who frequent such establishments, just as the intent of the Schlitz beer ads may be to maintain visibility of their product name in the minds of existing beer drinkers. However, we are concerned with effect, not intent. The Committee members felt that they were much more likely to drink more than they otherwise would in response to "type 2" ads ("stop by tonight for our two-for-one sale") than in response to "type 1" ads ("Schlitz is the beer of successful athletes"). It is the opinion of the Committee that "type 2" ads in particular probably stimulate sales of alcoholic beverages in Alaska above the level sales would otherwise reach.

Since our objective is to reduce per capita consumption in Alaska, and since it is preferable to do so without imposing direct restrictions on what the general public can or cannot do, we are led to recommend that a law be enacted to prohibit advertising by licenses of alcoholic beverages, bars, and liquor stores for all in-State programming on radio and television, and in all newspapers and magazines published within the State. It is probable that the State could survive in the absence of such repetitive suggestions from the media. To attempt to restrict such advertising imported on national networks and publications seems quite unrealistic, and the relationship of such advertising to per capita consumption seems shrouded in greater uncertainty.

The local media will not welcome the loss of advertising revenue from the liquor industry. Either new advertisers will be found, existing advertisers might have to pay higher prices, or else media activities will decline in