

# Alcohol Use in New Mexico

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PRESENTED TO THE NEW MEXICO LEGISLATIVE HEALTH & HUMAN  
SERVICES INTERIM COMMITTEE

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# What is Excessive Alcohol Consumption?

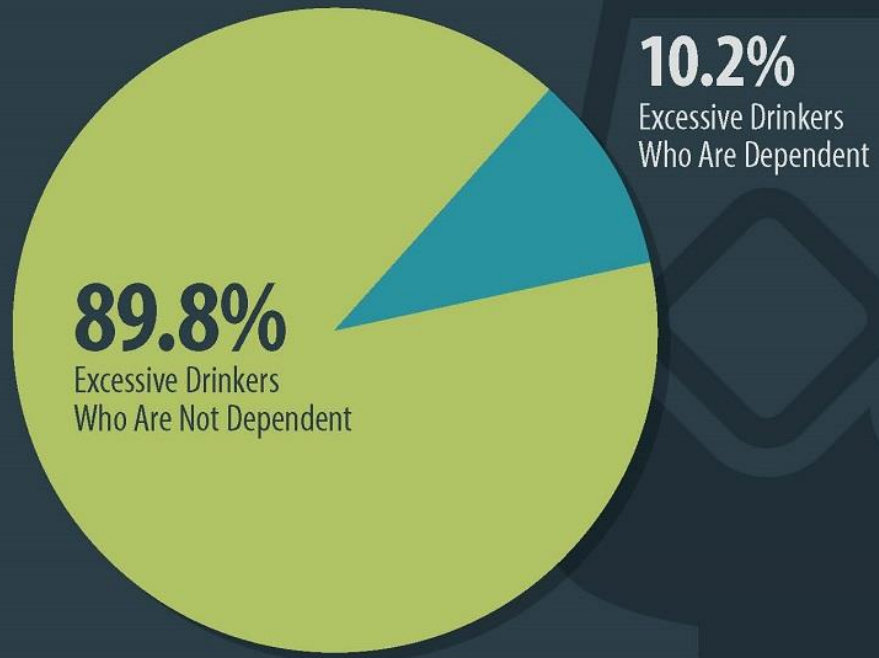


# Excessive Alcohol Consumption in New Mexico

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- In 2020, **14.5%** of adults reported binge drinking in the past 30 days
  - Maximum number of drinks per episode in the past month: 8.8
  - Number of binge episodes in the past 30 days: 5.1
- In 2020, **6.0%** of adults reported heavy drinking in the past 30 days
- In 2019, **28.6%** of high school students reported that they were current drinkers
- In 2015, **4.5%** of pregnant people drank during last 3 months of pregnancy

**9 out of 10** excessive drinkers are **not** alcohol dependent.



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**PREVENTING CHRONIC DISEASE**  
PUBLIC HEALTH RESEARCH, PRACTICE, AND POLICY

[www.cdc.gov/pcd/issues/2014/14\\_0329.htm](http://www.cdc.gov/pcd/issues/2014/14_0329.htm)  
[www.cdc.gov/alcohol](http://www.cdc.gov/alcohol)

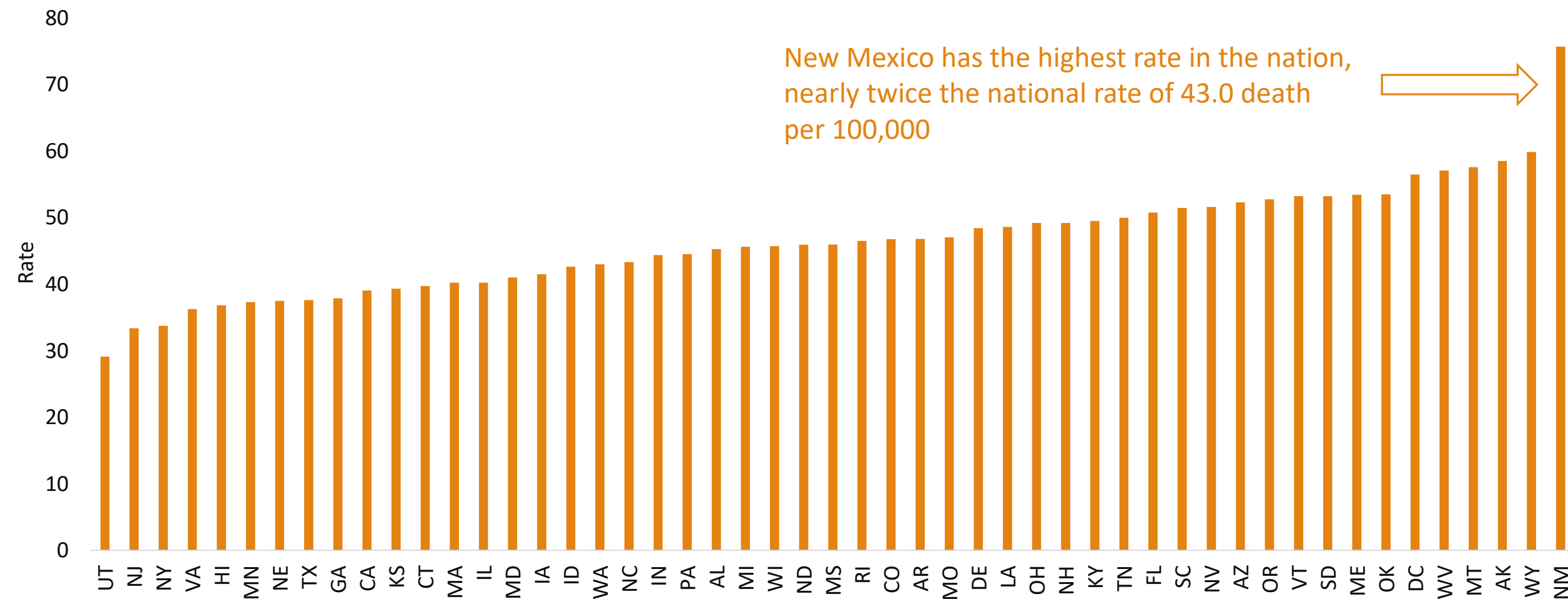
Alcohol use disorder is an important outcome of excessive alcohol use. However, it is only part of the problem

# Excessive Alcohol Consumption is Associated with Health Problems

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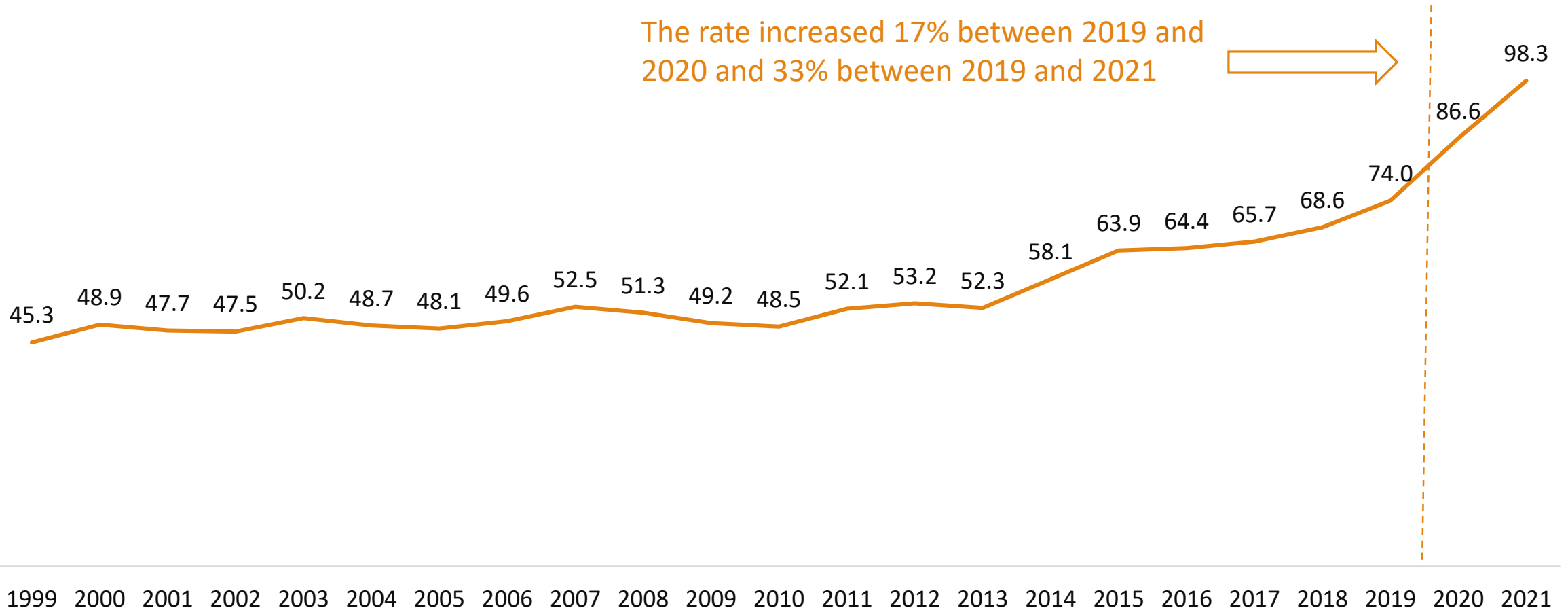
- Chronic diseases
  - Liver cirrhosis
  - Pancreatitis
  - Certain cancers
  - High blood pressure
- Fetal and infant health, such as fetal alcohol spectrum disorders and sudden infant death syndrome
- Alcohol use disorder
- Psychological disorders
- Injury
  - Firearm injuries
  - Violence, such as child maltreatment, homicide, and suicide
  - Motor-vehicle traffic crashes
  - Falls
  - Drowning
  - Burns

# Average Annual Alcohol-Attributable Death Rate per 100,000 Population by State and D.C., United States, 2015-2019

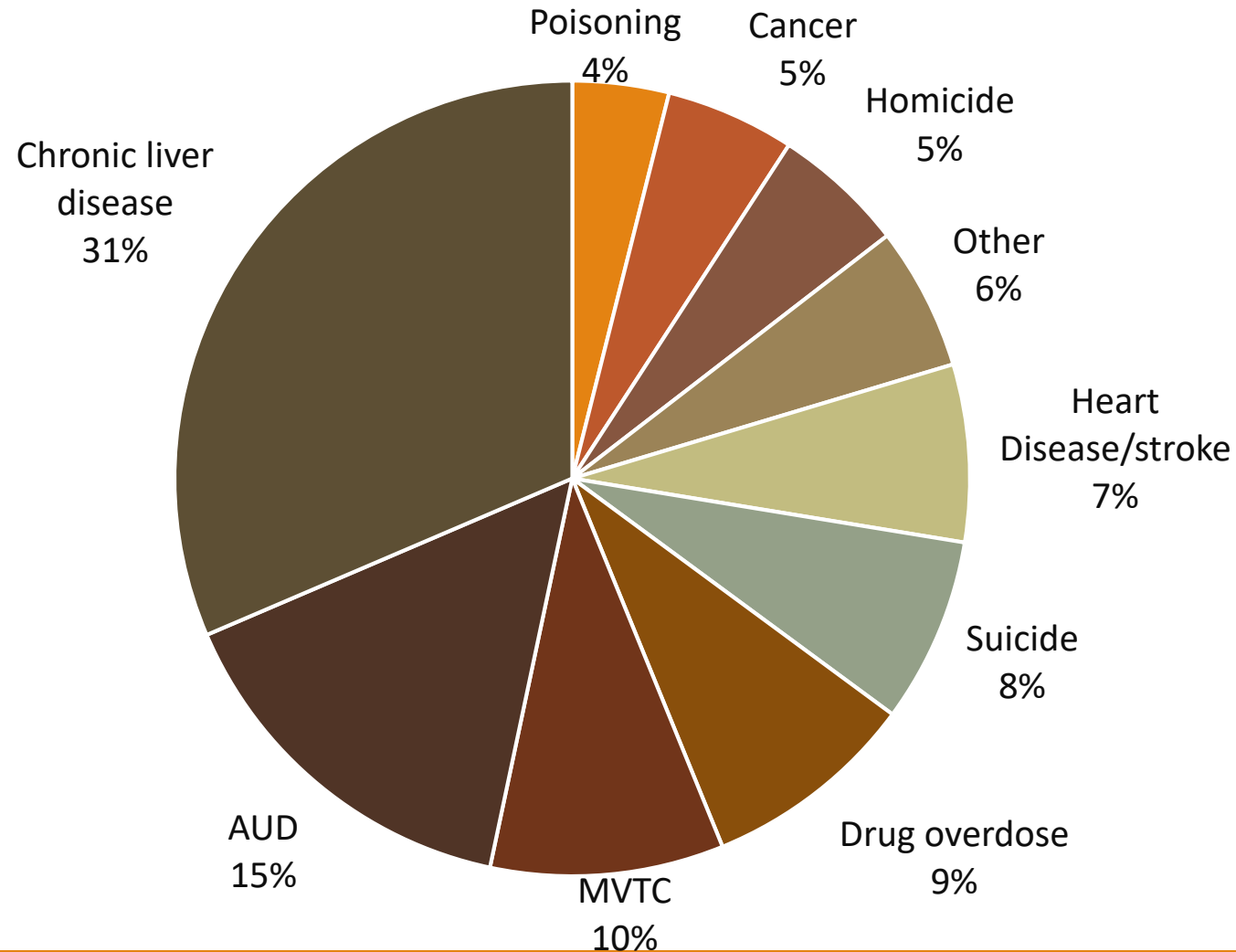


# Age-Adjusted Alcohol-Attributable Death Rate per 100,000 Population by Year, New Mexico, 1999-2021

The rate increased 17% between 2019 and  
2020 and 33% between 2019 and 2021



# Annual Average Alcohol-Attributable Deaths Due to Excessive Alcohol Use by Cause, New Mexico, 2015-2019





Percent of high school students who reported drinking more alcohol during the COVID-19 pandemic, by grade — Adolescent Behaviors and Experiences Survey, United States, January–June 2021

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Grade	% (95% CI)
9 <sup>th</sup> grade	28.6 (22.6-35.6)
10 <sup>th</sup> grade	29.6 (25.0 34.7)
11 <sup>th</sup> grade	28.4 (23.6 33.8)
12 <sup>th</sup> grade	31.3 (26.3 36.7)
<b>Overall</b>	<b>29.6 (26.9 32.5)</b>

# Cost of Excessive Alcohol Consumption

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- Calculated based on alcohol-related healthcare costs, lost productivity, and other costs (fires, criminal justice, property damage, etc.)
- In 2010, excessive alcohol consumption cost New Mexico \$2.2 billion
- This is \$2.77 per drink or \$1,084 per person in the state
- 40.9% of these costs are paid by taxpayers



# Community Preventive Services Task Force (CPSTF) Recommendations for Preventing Excessive Alcohol Consumption

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Electronic screening  
and brief  
intervention

Responsible  
beverage service  
training

Overservice law  
enforcement  
initiatives

Maintaining limits  
on hours of alcohol  
sale

Against further  
privatization of  
alcohol

Dram shop liability

Maintaining limits  
on days of alcohol  
sales

Regulation of  
alcohol outlet  
density

Increasing alcohol taxes

Enhanced enforcement  
of laws prohibiting sale  
of alcohol to minors

# CPSTF Findings for Effects of Increasing Alcohol Taxes

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- Experts in systematic review methodology and alcohol consumption reviewed 73 studies assessing the relationship between either tax rates or total price and excessive alcohol consumption or related harms
- Expected percentage change in alcohol consumption when the price increases by 1%:
  - Beer: 0.50 decrease (18 studies)
  - Wine: 0.64 decrease (22 studies)
  - Spirits: 0.79 decrease (21 studies)
  - Total alcohol: 0.77 decrease (11 studies)
- 6 studies reported that higher alcohol prices were associated with reduced youth drinking; three studies reported mixed results (9 studies)

# CPSTF Findings for Effects of Increasing Alcohol Taxes

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- Higher alcohol prices or taxes were consistently related to
  - Fewer motor vehicle crashes and fatalities (10 of 11 studies)
  - Less alcohol-impaired driving (3 of 3 studies)
  - Less mortality from liver cirrhosis (5 of 5 studies)
  - Less all-cause mortality (1 study)
- Effects also were demonstrated for measures of violence (3 studies), sexually transmitted diseases (1 study), and alcohol dependence (1 study)

# 2022 Systematic Umbrella Review: Impact of Taxes and Price on Alcohol Use

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- Assessed all reviews that included studies of the relationship between alcohol prices or taxes and alcohol use: identified 30 reviews
- Higher alcohol taxes and prices were consistently related to lower total alcohol consumption
- Expected percentage change in alcohol consumption when the price increases by 1%:
  - Beer: 0.30 decrease
  - Wine: 0.60 decrease
  - Spirits: 0.64 decrease
- Very strong evidence for the effectiveness of alcohol taxes in targeting heavy drinkers and heavy episodic drinking

# New Mexico Liquor Excise Tax

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- Spirituous liquors: \$1.60 per liter (~\$0.07 per standard drink)
  - Range for U.S. states: \$0-\$9.99 per liter
- Beer: \$0.41 per gallon (~\$0.04 per standard drink)
  - Range for U.S. states: \$0-1.29 per gallon
- Wine: \$0.45 per liter (~\$0.07 per standard drink)
  - Range for U.S. states: \$0-0.89 per liter
- Fortified wine – \$1.50 per liter (~\$0.13 per standard drink)
- Beer manufactured or produced by a microbrewer – \$.08 per gallon
- Wine manufactured or produced by a small winegrower – \$.10 per liter on the first 80,000 liters sold and \$.20 per liter on liters sold over 80,000 but less than 950,000
- Cider – \$.41 per gallon

# Consumer Costs and Job Impacts from State Alcohol Tax Increase in New Mexico

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- Social and Health Effects of Changes in Alcohol Prices (SHECAP)
- Research collaborative measured health and social impacts of changes of state alcohol price increases
- A research collaboration between:
  - University of Florida
  - University of Illinois at Chicago
  - Boston Medical Center
  - Johns Hopkins Bloomberg School of Public Health



# Potential Net Impact of Alcohol Tax Increases on Employment

Tax/Drink	General Fund <sup>1</sup>	Healthcare <sup>2</sup>
\$0.05	653 increase	139 increase
\$0.10	1,265 increase	269 increase
\$0.25	2,898 increase	616 increase
<b>Sales Tax</b>		
5%	622 increase	98 increase

<sup>1</sup>Assumes funds generated are used to pay for general government services, such as healthcare, education, and law enforcement.

<sup>2</sup>Assumes additional revenue are used to pay for health care services, including doctors and nurses, prescription drugs, hospital care, and care in nursing homes or other long-term care facilities.

Alcohol tax increases generally result in small increases in employment, even after taking into account the estimated effect on employment related to the production or sale of alcohol

## Average Additional Cost for Alcohol per Adult (18+) Per Year as a Result of the Tax Increase, by Drinking Category

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<b>Tax/Drink</b>	<b>Excessive Drinkers</b>	<b>Non-Excessive Drinkers</b>
\$0.05	\$12.95	\$2.49
\$0.10	\$24.55	\$4.73
\$0.25	\$51.14	\$9.85
<b>Sales Tax</b>		
5%	\$19.42	\$3.74

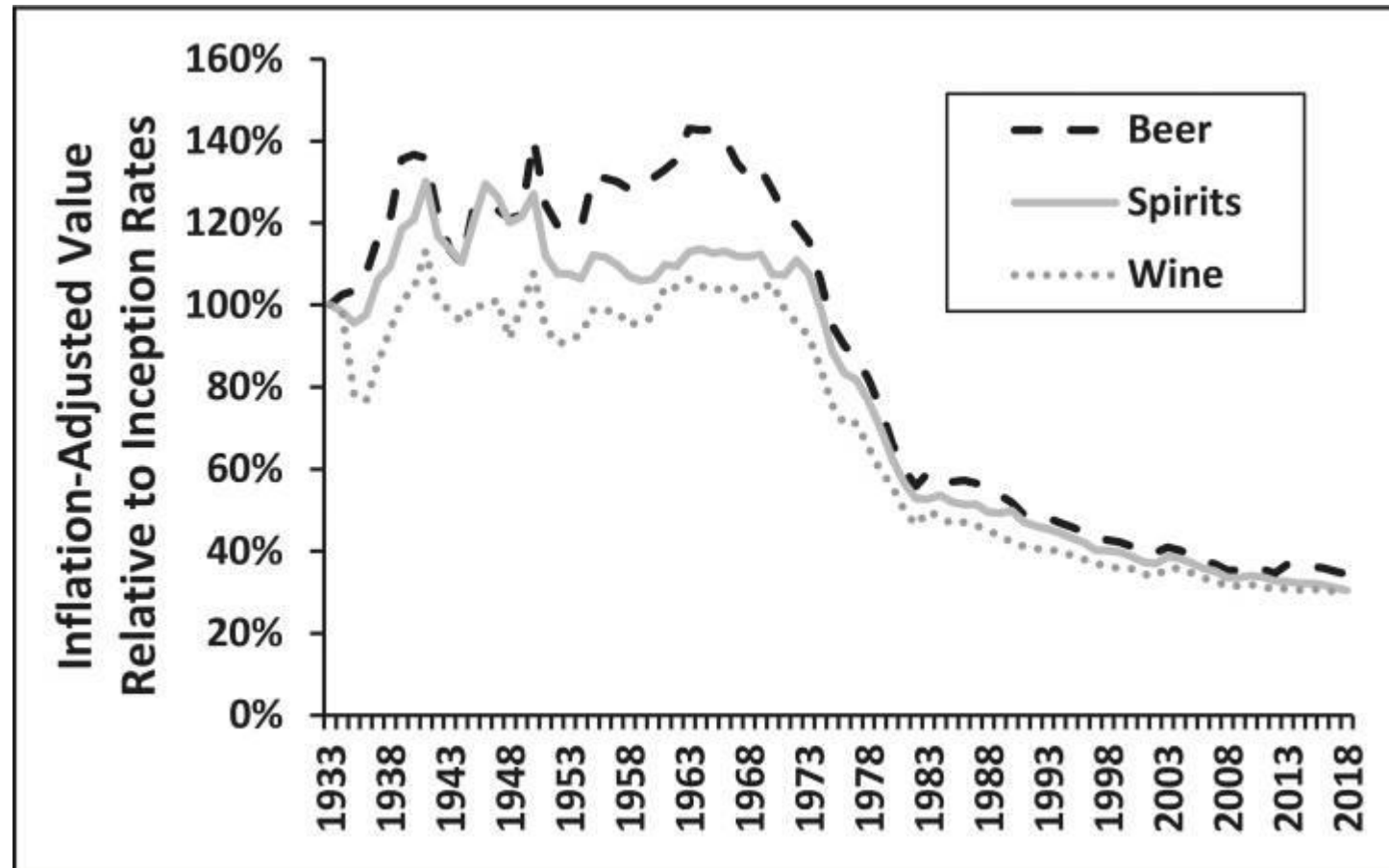
## Among Adult (18+) Non-Excessive Drinkers, Average Additional Cost for Alcohol Per Year by Income Group

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<b>Tax/Drink</b>	<b>&lt;\$25,000</b>	<b>\$25,000-49,999</b>	<b>\$50,000-74,999</b>	<b>&gt;\$75,000</b>
\$0.05	\$2.05	\$2.32	\$2.47	\$2.92
\$0.10	\$3.88	\$4.39	\$4.68	\$5.53
\$0.25	\$8.09	\$9.14	\$9.75	\$11.52
<b>Sales Tax</b>				
5%	\$3.07	\$3.47	\$3.70	\$4.37

Price increases and taxation may have some regressive effects, but the effects are limited, as they are greatest for the heaviest consumers, irrespective of income.

# Average of State Specific Excise Tax Rates Relative to Inception Rates<sup>1</sup> for Beer, Distilled Spirits, and Wine, U.S., 1933–2018



<sup>1</sup>All rates were inflation-adjusted to 2018 dollars

# Summary

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- Excessive alcohol use is a major public health issue in New Mexico
- Effective public health interventions are needed to reduce the harm and cost caused by excessive alcohol consumption
- Increasing alcohol taxes is a very well-researched topic that has been consistently shown to reduce alcohol consumption
- Funds can be used to support other effective interventions

Thank you! Questions?

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