

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 59th SESSION

April 12, 1977

The meeting was called to order by Chairman Mello at 8:00 a.m.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Hickey, Mr. Howard, Mr. Glover, Mr. Kosinski, Mr. Rhoads, Mr. Serpa and Mr. Vergiels.

ALSO PRESENT: John Dolan, Assembly Fiscal Analyst; Bill Bible, Budget Division; Tom Mayer, President, Northern Area Substance Abuse Council; Senator Bill Raggio; Paul Cohen, Chief, Bureau of Alcohol and Drug Abuse; Russell McDonald, Esquire, Joe Braswell; Bill Wollitz; Assemblyman Nancy Gomes; John Chapel, M.D.; Ann Hibbs, Nurses Association; David Hagen, U.S. Brewers; Jim Wittenberg, State Personnel and Bob Gagnier, SNEA.

SJR 2. Mr. Kosinski made a motion for a "Do Pass"; seconded by Mr. Rhoads. Motion passed.

SJR 3. Mr. Kosinski made a motion for a "Do Pass"; seconded by Mr. Bremner. Motion passed.

A.B. 334. Requires use of 10 percent of liquor tax proceeds for alcoholism and drug abuse treatment.

Tom Mayer, President of the Northern Area Substance Abuse Control, spoke in favor of the bill, testifying that the two pieces of legislation (S.B. 247 and A.B. 334) have received support from the local entities. They have also received cooperation from the representatives of the liquor industry, with the exception of the Brewers Industry. Mr. Mayer believes this is an important piece of legislation and is completely justifiable. The reason the legislation is important is because the funds that would be generated by the legislation could place troubled people that are incapacitated back into productive roles in society which would take a burden off the taxpayers. It would also put the people back into a role of making money and would ease the stress or loss factors that businesses maintain.

The reason the bill is justifiable is because it will meet an ever growing, unescapable need that exists with many troubled Nevadans. They have come to the Committee today not to ask any favors, but to ask that a job be done and the tools are needed to do the job. They would like to be able to have the ability to assist people who need their help and to educate young Nevadans so they can make an informed decision regarding drugs and alcohol which could have a great effect on their future.

Mr. Mayer explained the state goals for 1975-77 and the state plan, a copy of which is attached. Mr. Mayer stated that some of the goals had been met and some had not. Therefore, to meet not only the goals of the state, but to meet the needs and priorities of the cities and counties themselves they need the additional money provided for in A.B. 334.

Mr. Mayer stated that many people have commented in the last few weeks about the success ratio of treatment and rehabilitation. One of the things that has come out is that most people feel that education is a good way of preventing rehabilitation in the future. At this time only one position will be in the Bureau of Alcohol and Drug Abuse for education and prevention. Since the problem of alcohol is growing in the schools, one position for the entire

State of Nevada is not enough.

Mr. Mayer urged the Committee to give A.B. 334 a "Do Pass" because if the bill is not passed the Legislation they are proposing is through; this is the last effort. They need the legislation to be able to come back to the Legislature in two years and say that something has been accomplished above and beyond what they tried to do the last two years. If the bill does not pass, Mr. Mayer assured the Committee that in two years they will probably be back again. The problem will undoubtedly be worse and they will still have more to do.

Mr. Mayer stated that Chief Parker, in his testimony, mentioned in 1975 the police station in Reno held 5,017 people for civil protective custody and in 1976 the figure went up to 6,044 which is a 20% increase. The Chief gave a breakdown of the 1976 figure and 69% of the total were one or two time offenders. Chief Parker said that out of his total arrests, only 10% are out-of-state people so the problem, Chief Parker believes, is local. This would lend a credible statement to the problem that what they are asking for is to meet a problem that is within Nevada. Chief Parker stated that CPC arrests amount to about  $\frac{1}{2}$  of his detentions. It averages about two man hours to process these arrests and this constitutes a minimum of 12,000 man hours for 1976. Chief Parker suggested legislation accompanying this appropriation that creates a mandatory time frame of length of stay.

Senator Raggio testified in favor of the bill, stating there were two bills introduced this Session. Senator Raggio sponsored a bill in the Senate and Mrs. Gomes sponsored A.B. 334. Senator Raggio's interest in this problem comes through many years of experience as a prosecutor and he feels this is where he first developed his concern because this is a situation which society has consistently swept under the rug. In 18 years as a District Attorney, Senator Raggio stated when you went behind the case histories, practically everyone had some relation to alcohol abuse, even those dealing with drug abuse. That is something that is a truism and cannot be argued with. Alcohol and drug abuse is a cancerous growth within our society. We have reached the point where we realize that alcoholism is not something that people should be condemned for because they have reached the point where they are without the power of self control. A.B. 334 is an attempt to respond somewhat to that situation. Nevada, of all the state Senator Raggio has had experience in this area, is sorely lacking. There are many people who have this disease who need and want to cry out for treatment and Nevada's facilities are so limited and so confining because of the requirements for admission, that no general assistance is available. Nevada has only gone a short distance. Senator Raggio, having served on a money committee, is well aware that the Committee has a large responsibility in weighing priorities but when weighing this need against some of the other issues passed upon in previous Sessions, the Committee will find that this deserved a high place.

In conclusion, Senator Raggio stated that in a previous Session, as far as those who are involved with the criminal designation of intoxication or an intoxication offense, they went a long way. Nevada followed a recommendation which had been supported and proved that we become criminalized by being drunk, but Nevada didn't go further and provide any meaningful detoxification facilities or rehabilitation programs. In Reno, there is a situation where the people who are arrested on this basis are now termed civil protective custody people. There is a small facility which is a pilot program in Reno called Ridge House. Only people who come out of that CPC situation are eligible to go to Ridge House and have the detoxification service. In order to get into a rehabilitation program and have it be meaningful you must go through some kind of an initial detoxification. There is no detoxification center in northern Nevada. It is a sad commentary and a detoxification center is vitally needed.

They had hoped that some initial money under S.B. 247 could be appropriated to deal strictly with the need to enhance and provide more beds to the detoxification centers that are in existence and to establish some new ones. This is a problem that cuts across the whole state.

Senator Raggio stated that the program in Churchill County is a fine program and Senator Dodge and others are highly interested in doing something further in this area. Senator Raggio stated that A.B. 334 is the best attempt to try to meet this problem with some responsibility. Other measures were suggested to increase the tax, but that was something impractical at this point. This bill does not increase the tax. The only thing the bill would do would be to earmark an amount equivalent to 10% of the tax collected on hard liquor for use by the Bureau of Alcohol and Drug Abuse. It is envisioned that these monies would go a long way toward enhancing both detoxification, education and rehabilitation in this area. Senator Raggio urged the Committee to pass A.B. 334.

Senator Raggio stated he found uniform support on the bill. For example, he was very encouraged by the fact that representatives of both the wholesale liquor dealers and the retail liquor dealers in Reno are in support of the concept. This is not to indict the liquor industry. They are a vital part of Nevada's economy, but they have recognized the need and have supported this concept. In addition the City of Reno and the County of Washoe both passed resolutions endorsing this concept.

Chairman Mello asked where the figure of 10% came from. Mr. Cohen replied he didn't know because it was not an agency introduced bill. Mr. Cohen stated he believed Nancy Gomes took information from the national averages that are used by most states that do project that as a standard norm.

Paul Cohen, Chief, Bureau of Alcohol and Drug Abuse, testified in favor of A.B. 334. His remarks are attached.

Chairman Mello asked if Mr. Cohen was going to administer the program. Mr. Cohen replied yes.

Mr. Cohen stated they projected that approximately \$5 million to \$6 million per year of state, federal and local monies, including third party, would be necessary to establish a network of services as identified in the goals and objectives. The 10% figure comes from a national norm that has been recommended nationwide that 10¢ on the dollar of alcohol taxes be earmarked for rehabilitation services. The projections based upon this bill, would generate approximately \$796,000. The percents talked of come from the General Fund. Mr. Rhoads asked who will not be getting that money if the Legislature decided to give it to the Alcohol and Drug Abuse Program. Mr. Cohen replied he didn't know.

Chairman Mello commented that the Legislature has to set its priorities. If they don't have the sufficient funds to fund this program, cuts would have to be made elsewhere. If not, it would come from the surplus.

Mr. Howard asked how many centers Nevada has. Mr. Cohen replied there are 24 programs statewide. There are approximately 10 residential programs for both alcohol and drug clientele.

Mr. Glover asked how much it costs to put a person through the process. Mr. Cohen replied regarding a residential program, it runs approximately \$84.00 per week minimum and into a hospital setting it would run approximately \$1,000 per week.

Russell McDonald stated the Washoe County Commissioners endorsed both A.B. 334 and S.B. 247 not necessarily in the fact that the county is there with its hand out because in A.B. 334 Washoe County does not enjoy any of the proceeds of distribution of the liquor tax. However, incumbent upon the county by action of the Legislature in the past, is the question of public welfare. Repeatedly in the past five years County Commissioners have been approached to assist in some type of render support. As Mr. McDonald was charged with the function of watching the General Fund, he always had a gut feeling that no matter what money he could find available for Commissioners' disposition, that they weren't getting to the problem. That is one of the reasons the Commissioners are supporting this bill because it is a welfare situation.

Joe Braswell, a member of the State Advisory Board on Alcohol and Drug Abuse, spoke in favor of A.B. 334. He stated that for the last two years repeatedly the Board, in their meetings, have discussed the various problems dealing with treatment facilities throughout the state. More adequate funding has always come up as one of the Board's problems. The Advisory Board is representative of all areas of the state. Mr. Braswell is supporting the bill because he believes, in spite of the fact that some people say it is useless to put more money into the program, it is a growing problem and the growing efforts to try to deal with the problem are going to take some money.

Mr. Braswell stated as far as the Board is concerned, they have discussed the matter and they support the concept of earmarked funds.

Mr. Braswell stated that for a good part of the last 35 to 40 years he has had some personal experience with alcohol abuse. He himself has gone through detoxification in a drunk tank and he had no one to offer him any hope of any treatment or any facilities, or anyone that was interested in helping with his problem. Mr. Braswell stated that if some of the programs can be expanded there might be the possibility of helping people.

It is often heard that the alcoholic is not going to get help until he is motivated from within, but from Mr. Braswell's experience of some 20 years in social work, that motivation must come from within but it can get a lot of help from outside sometimes. If Mr. Braswell could have gotten some earlier motivation, possibly he could have avoided some of the problems he encountered in the past.

With regard to whether alcohol funds should be earmarked and whether or not we would be pointing a finger of guilt at the industry, Mr. Braswell stated it is a simple fact if alcohol did not exist, along with people with a propensity to abuse it, there would be no problem. That does not point a finger of guilt at anyone. It is a simple statement of fact. Mr. Braswell strongly urged the Committee to support the bill.

Bill Wollitz, Director of the Northern Area Substance Abuse Council in Reno spoke in favor of A.B. 334. His remarks are attached.

Mr. Serpa asked if Mr. Wollitz's program would get some of the funds if A.B. 334 passed. Mr. Wollitz replied he assumed they would get some of the funds, but not much for the reason that they are an intake unit. All clients come to them first and then they send the clients to the most appropriate treatment center.

Mr. Wollitz's hope and consideration would be that the overwhelming majority of the funds would go to the treatment programs. All the Council would do would be as the need arises add another one or two Intake Counselors so they could more adequately send these people to the treatment programs.

Mr. Serpa asked if Mr. Wollitz had any statistics that show how many of the DUIs are really problem drinkers. Mr. Wollitz replied that in talking with Captain Smart and the police officers and in attending seminars, it is their feeling that for every time a man is picked up for DUI, he has probably been driving behind the wheel drunk six or eight times.

Assemblyman Nancy Gomes testified in favor of A.B. 334. She stated that she has long been a part of a program involved with substance abuse in Washoe County and northern Nevada. The biggest problem is never having enough money to fund programs that are needed. In two programs statewide that have the least amount of funds are programs for the young problem drinker and substance abuser and a program for alcoholic women, both of which problems are increasing at this time. She felt there were far more problem drinkers than we tend to give credence to. Drinking is so socially acceptable that we sometimes tend to overlook the social problems that it causes. From Mrs. Gomes' experience with the school district, drinking is beginning to be a problem down as low as the middle school.

Mr. Gomes stated there are programs that are waiting for some kind of financial assistance to begin. One residential program had to be closed down in Reno for women, who are the most difficult to treat, particularly the housewife who can stay home and not be obvious but certainly needs as much help as anyone else.

John Chapel, M.D. and Chairman of the Commission on Major Health Issues, Washoe County Medical Society, spoke in favor of A.B. 334. He stated he consulted the V.A. Hospital where 57% of the patients have alcoholism or alcohol related problems. He is a consultant to the Bureau of Alcohol and Drug Abuse and also to the Southern Nevada Drug Abuse Council. He urged the Committee to support the bill because it fills in some gaps which the health care delivery system in the medical profession cannot adequately meet. They in effect provide backup services and the self-help programs such as AA provide a major source of help, but they need some intermediary support system of the kind that would be funded by the bill.

The difficulty with the medical profession is that it is disease oriented and they come in, generally speaking, too late. If you force the health care delivery system to meet with all of the problems that AA cannot handle, it means that a person has to have a disease that requires acute medical services. The great gap that exists in the system, as far as Dr. Chapel can see, is early intervention, particularly early detoxification services. In Dr. Chapel's experience with alcohol and drug dependent patients, less than 10% of them require hospital treatment because they are not that medically ill. Most of the patients can be handled with the kind of services that exist within the state and that would be funded by this bill. Dr. Chapel urged the Committee to pass the bill as a way of providing some ongoing continuity of care with early intervention in this very critical problem.

Chairman Mello asked Mr. Cohen if this piece of legislation is passed, was there any chance of getting matching federal funds. Mr. Cohen replied no. Chairman Mello asked if there were federal funds in the budget. Mr. Cohen replied no, the federal funds are on Page 459. He stated Nevada is a minimally funded state. The alcohol money received from the federal government is \$200,000 and they then receive, because of the CPC Law, another \$190,000. These figures are reflected in the grant categories on Page 460.

Ann Hibbs, representing the Nurses' Association, spoke in favor of A.B. 334 stating that the Nurses' Association realizes what a great problem alcohol is and they would certainly support a program that would help alleviate the problem. She has visited the Ridge House detoxification center and feels it is a good program, but it only handles eight people. A much larger center is needed. She concluded by saying the Nurses' Association supports A.B. 334.

David Hagen, representing the U.S. Brewers Association, spoke against A.B. 334, stating this is earmarked for a tax on beer, not withstanding what Senator Raggio had said. The bill is rather deceiving. On Line 5, Page 1, it appears to be referring to the tax collected under 369.330 from liquor containing more than 22% of alcohol by volume. If that is what the drafters of the bill intended that is not what they accomplished because on Page 2, Line 2, in reference to the transfer of the 10% remainder of the money collected during the preceding month, is for monies collected under all of 369.330, not merely that portion of 369.330 which refers to distilled spirits. The tax on malt beverages is also contained in that section in subdivision 4. If what was stated is truly intended, then on Page 2, Line 2, it should read: "NRS 369.330.1" in order to confine it to an earmarking of 10% tax on distilled spirits.

Mr. Hagen stated that it was intimated that California has earmarking for the purpose of alcohol and drug abuse, but they don't. Governor Brown vetoed such a measure approximately a year ago. The tax currently on beer in Nevada is about half again as high as the tax on beer in California. The Brewers' concern is that with bills such as A.B. 334, it won't be very long before someone will be coming back because the program won't have enough money or will have a need for more money and then there will be a request for an increase in taxes on malt beverages.

The U.S. Brewers have never been demonstrated to be involved in any connection with a causation of alcoholism. Mr. Hagen stated it is rather difficult to get grossly intoxicated on beer. You would have to drink so much of it that it would be abdominally uncomfortable. The U.S. Brewers oppose the bill, but think it is a wonderful idea that there be support for detoxification centers and that there be alcohol and drug abuse programs, but the Brewers do not think they are part of the problem and do not think there should be an earmarking of a tax on beer. He would have no objection to the bill if beer were taken out of the bill.

Mrs. Gomes stated that regarding that part of the statute Mr. Hagen was referring to, she went over in great detail with Mr. Petty and Mr. Petty insisted the bill is statutorily correct to do what they want to do with the bill.

Chairman Mello questioned the fact of why they needed so much money to start the program when they already have money in the budget. Mrs. Gomes replied that there is no end to the amount of money needed and they felt they were very prudent in going through with this approach. Mrs. Gomes stated that in trying to work with the programs in just the northern Nevada area they are always stymied to do something because there isn't money available.

Chairman Mello suggested that since this is a pilot project, perhaps it should be started out with something less than the 10%.

S.B. 196. Makes appropriation for salary increases and certain salary adjustments for state classified personnel.

Jim Wittenberg testified in favor of S.B. 196.

A.B. 645. Makes appropriation for salary increases and certain salary adjustments for state classified personnel.

S.B. 196. Makes appropriation for salary increases and certain salary adjustments for state classified personnel.

Bob Gagnier, SNEA, discussed with the Committee the State of Nevada Employees Association proposals for salary increases and fringe benefits, a copy of which is attached.

Mr. Gagnier stated he was before the Committee to either amend S.B. 196 or pass A.B. 645. He stated that previous testimony had perhaps confused the Committee. For the base period that they have been using since the 1971 Legislature, the cost of living this past year did go up 5.5%. They assume that is the figure used by the administration in S.B. 196, but what they are forgetting is the amount that was lost on January 1, 1976. If the Senate in the last Session had gone along with Ways and Means and provided 15.7% they would be before the Committee today testifying for a 5.8% increase and not a 6.8% increase. Because the Senate did not go along with the Assembly, they did lose 1.3% on January 1st of last year. The handout shows the changes in the Consumer Price Index.

Mr. Gagnier said that the second year proposal in S.B. 196 calls for a 4½% CPI increase in January 1978. However, since these figures were compiled at the beginning of the Session, the cost of living has accelerated at a very rapid rate. Obviously 4.5% is not going to keep us up with the way the cost of living is going up this year. SNEA feels 4.5% is an arbitrary figure pulled out of the air and does not relate in any way whatsoever to what the Consumer Price Index was going up last fall or to what it is going up right now.

SNEA feels that the 6.8% is the amount in good faith that they should request from the Legislature and that a reasonable amount be put in for the next period of 6% and both of those are contained in A.B. 645.

A.B. 391. Increases amount which public agencies may pay for group insurance premiums.

Bob Gagnier testified in favor of A.B. 391. Jim Wittenberg testified in support of the bill.

Mr. Bremner made a motion for a "Do Pass" on A.B. 391; seconded by Mrs. Brookman. Motion passed.

A.B. 334. It was the wish of the Committee to hold the bill.

S.B. 196. It was the wish of the Committee to hold the bill to develop a trigger mechanism the second year of the biennium.

A.B. 645. No action was taken.

Chairman Mello appointed a Subcommittee of Speaker Dini (Ex Officio), Mr. Glover and Mr. Vergiels to study legislation regarding the Ghiglia Ranch.

The meeting adjourned at 10:15 a.m.

RESOLUTION NO. 3184

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Exhibit "A"

INTRODUCED BY COUNCILMAN \_\_\_\_\_

RESOLUTION TO THE NEVADA STATE LEGISLATURE  
REQUESTING FAVORABLE CONSIDERATION OF SENATE  
BILL 247 AND ASSEMBLY BILL 334.

WHEREAS, the Reno City Council is well aware of the need  
for the funding proposals as contained in Senate Bill 247 and  
Assembly Bill 334; and

WHEREAS, the Reno City Council desires to go on record as  
supporting the passage of these two bills; and

WHEREAS, it is also the desire of the Reno City Council  
to point out to the Nevada State Legislature that funding for a  
physical facility to house a complete detoxification center in the  
Reno area is desperately needed;

NOW, THEREFORE, BE IT RESOLVED, that the Reno City Council  
supports the passage of Senate Bill 247 and Assembly Bill 334.

BE IT FURTHER RESOLVED, that the Reno City Council requests  
that the State Legislature provide funding for a physical facility  
to house a complete detoxification center for the Reno area.

On motion of Councilman \_\_\_\_\_, seconded by  
Councilman \_\_\_\_\_, the foregoing Resolution was passed  
and adopted this 7th day of March, 1977, by the following vote  
of the Council:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_ ABSENT: \_\_\_\_\_

APPROVED this 7th day of March, 1977.



# viewpoint

Tax Rates on Beer, Wine and Spirits Are Inconsistent as Government Loses Needed Revenue

TAXES SHOULD BE REVISED TO ASSESS LEVIES ON BASIS OF ALCOHOLIC CONTENT

February 1976

Individual states, as well as the federal government are losing needed revenue because of the patchwork of tax laws relating to alcoholic beverages. The most sensible approach would be to revise present laws so as to base the taxes on beer, wine and spirits on the alcoholic content.

Federal taxes on distilled spirits are \$10.50 per proof gallon, meaning that for each gallon of absolute alcohol contained in distilled spirit drinks, the government receives \$21.00. That means that when distillers lower the proof of whiskey from 86 to 80, they pay proportionately lower taxes.

But it doesn't work that way with federal taxes on beer or wine. The beer tax of \$9.00 per barrel is the same, regardless of whether the beer contains 3.2% or 4.5% alcohol. The high-volume table wines are taxed at 17 cents per gallon at the federal level, regardless of whether their alcoholic content is 9%, 12% or 14%.

The reason for special taxes on these beverages is their alcoholic content, yet the tax rates are not consistent with the alcoholic content. If beer were taxed at the same rate as distilled spirits, the tax rate would be \$22 per barrel, and table wines would be taxed at \$2.50 per gallon at the federal level.

## Beer, Wine, Not Less Intoxicating

Initially, the reason for imposing lower taxes on beer and wine was that their lower alcoholic content was considered as an inducement to moderate drinking. But now there is adequate scientific evidence to demonstrate that intoxication can result almost as easily with beer and wine as it can with distilled spirits. Persons with alcohol problems are just as likely to be beer and wine drinkers as they are users of distilled spirits.



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## Influence of Beer, Wine Lobbies

In recent years, it has been the powerful influence of the beer and wine lobbies which have maintained lower tax rates on beer and wine. In looking through the tax rates for alcoholic beverages on a state-by-state basis, the only rationale for establishing tax rates seems to be the influence of these special interest groups, balanced by the need of the individual states for additional revenue.

## Lower Prices for Beer, Wine

Because of their tax breaks, brewers and vintners have held an advantage in the market place in recent years over other commodities. Since 1970 the Consumer Price Index shows that the average retail price of food has gone up by 54.6%, yet the average retail price of beer is up by only 28.8%, and the average price of wine has increased by only 32%.

## Potential Revenue

If the U.S. Government would restructure their alcoholic beverage taxes so as to assess beer and wine at the same rate as distilled spirits, they would gain more than \$1 billion in additional revenue from wine taxes and nearly \$2 billion in beer taxes.

The inconsistency in taxing policies is more apparent at the state level. The chart on the back of this page shows the per capita consumption of absolute alcohol for each state in Column 1, followed by that state's ranking. In Column 2, total state and local alcohol revenues have been computed on the basis of revenue per gallon of absolute alcohol consumed.

## Wide Range of Tax Rates

The beer tax in Colorado is a mere \$1.36 per barrel, while the beer tax in Alabama runs \$16.54 per barrel. Table wine is taxed a penny a gallon in California, but the same wine is taxed 90 cents per gallon in South Carolina. Kansas taxes hard liquor at \$1.50 per gallon, while Georgia assesses spirits at \$3.75 per gallon. Florida taxes liquor over 96 proof at the rate of \$7.52 per gallon.

## Revenue Lost

By not taxing alcoholic beverages at the national average of \$9.17 per gallon of absolute alcohol, California lost \$155 million in potential revenue in 1974, Illinois lost \$63 million, and Wisconsin would have been \$26 million richer if the tax rates there would have equaled the national average. Other states which would have gained substantial revenue by boosting their beer, wine and spirits taxes to the national average were Missouri (\$30 million), Maryland (\$25 million), New Jersey (\$23 million), and Texas (\$18 million).

If the rates in bordering states are at the same or nearly the same, it may encourage smuggling. However, this is a problem which could be addressed if representatives of the various states would join together and seek a more equitable tax policy on alcoholic beverages. In our judgment, the

rates for beer and wine in line with those on hard liquor would bring the U.S. and state governments considerable revenue, which could be used to pay at least in part, for alcohol problems. Both treatment and prevention programs could be funded from this new revenue source.

**1973 PER CAPITA CONSUMPTION OF ABSOLUTE ALCOHOL AND ALCOHOL REVENUE BASED ON PER CAPITA CONSUMPTION**

State	Per Capita Consumption	Rank	Per Capita Alcohol Revenue	Rank
Alabama	1.31	49	\$16.29	2
Alaska	2.53	5	7.31	36
Arizona	2.19	16	6.32	43
Arkansas	1.23	50	7.12	38
California	2.50	6	6.18	44
Colorado	2.32	11	4.78	50
Connecticut	2.03	23	10.06	22
Delaware	2.22	14	3.64	51
Washington, D.C.	5.54	1	6.16	45
Florida	2.45	7	11.02	15
Georgia	1.61	38	16.85	1
Hawaii	2.19	17	9.51	25
Idaho	1.81	32	11.58	13
Illinois	2.18	18	6.54	41
Indiana	1.37	47	7.21	37
Iowa	1.57	40	11.78	10
Kansas	1.45	42	5.19	49
Kentucky	1.43	43	7.80	33
Louisiana	1.68	36	10.26	19
Maine	2.00	24	11.62	12
Maryland	2.29	13	6.46	42
Massachusetts	2.01	10	7.53	35
Michigan	2.00	25	10.56	17
Minnesota	1.95	28	10.54	18
Mississippi	1.39	44	13.18	8
Missouri	1.70	34	5.35	48
Montana	2.21	15	10.25	20
Nebraska	1.87	29	5.99	46
Nevada	4.69	2	7.98	32
New Hampshire	3.91	3	8.45	29
New Jersey	2.11	21	7.63	34
New Mexico	2.00	26	7.09	39
New York	2.17	19	10.05	23
North Carolina	1.47	41	14.01	5
North Dakota	1.97	27	9.18	26
Ohio	1.61	39	11.78	11
Oklahoma	1.39	45	8.95	27
Oregon	2.04	22	9.81	24
Pennsylvania	1.75	33	8.57	28
Rhode Island	2.30	12	8.02	31
South Carolina	1.83	30	15.30	4
South Dakota	1.64	37	10.12	21
Tennessee	1.39	46	13.36	6
Texas	1.82	31	8.31	30
Utah	1.11	51	12.42	9
Vermont	2.67	4	10.58	16
Virginia	1.70	35	11.25	14
Washington	2.14	20	16.03	3
West Virginia	1.33	48	13.29	7
Wisconsin	2.41	8	6.79	40
Wyoming	2.37	9	5.57	47
U.S.A.	1.96	-	9.17	-

Source: Distilled Spirits Council of the U.S.  
Liquor Handbook  
Internal Revenue Service

VIEWPOINT responds to events, issues or matters of public policy. Positions taken reflect the views of the Editor and do not necessarily represent the position of the American Business Men's Research Foundation. Our goal is to provoke discussion, to help place issues and events in perspective, and to stimulate action. We welcome your response to VIEWPOINT.

# alcohol abstracts

Only 6 Cents of Every Dollar From Alcohol Revenues Spent for Alcohol Programs Across the U.S.

## STATE, LOCAL ALCOHOL PROGRAM SPENDING DOUBLES BUT DOES NOT KEEP PACE WITH ALCOHOL REVENUES

June, 1976

State and local governments are spending six cents on alcohol programs for every dollar they receive in alcohol revenue, according to a recent survey by the American Business Men's Research Foundation (ABMRF).

Reports from the individual state alcoholism authorities show that state and local government commitment to alcohol programs has risen from \$101.9 million in Fiscal 1973 to \$229.1 million in Fiscal 1976 for an increase of 125%.

In most states the license fees, taxes and other assessments on the alcoholic beverage trade are not earmarked for alcohol programs. However, the ABMRF has related program expenditures with liquor revenue because it is known that alcohol abusers are responsible for a major share of the revenue collected by state and local governments.

Robin Room of the Social Research Group (University of California at Berkeley) analyzed data from the national sample data used as the basis for the measures of alcohol consumption in "American Drinking Practices" (Cahalan, Cisin and Crossley, 1969) and concluded that 9% of the drinkers in the U.S. consume 41% of the alcohol. These are the alcohol consumers who down 5 drinks or more on each drinking occasion, and who drink daily or weekly.

It is generally agreed that the five-drinks-or-more consumers are in the high risk population, and most of the problem drinkers needing help come from this group.

### Heavy Drinkers Generate \$1.5 Billion Revenue

If one were to apply this formula to state and local alcohol revenue collections, it would mean that alcohol abusers are, through their overindulgence, contributing \$1.5 billion per year to state and local governments through taxes and other levies on the liquor they consume.

### The Responsibility of Government

This gives rise to the question of what kind of moral responsibility state and local governments have toward these victims of alcohol abuse who are contributing so heavily toward state and local tax revenue.

The table on the back reflects the personal responses of each state alcoholism authority with respect to monies budgeted for the 1975-1976 Fiscal Year for all alcohol programs in the state which are funded by state and local monies.

Alcohol revenue figures reflect 1974 receipts as reported by the Distilled Spirits Council of the U.S. (DISCUS).

Thirteen states generated \$100 million or more in liquor revenue to state and local governments in 1974. Seven of those states, headed by Massachusetts which returned 15.7 cents for alcohol programs for every \$1 in alcohol revenue received, showed records of better than the national average of 6 cents spent on alcohol programs for each \$1 collected in liquor revenue.

Liquor revenue collections in Florida, New Jersey and Ohio amounted to more than \$539 million, yet the total local and state alcohol program expenditures were a mere \$8.2 million for these three states, representing a return to programs of less than 2 cents for every dollar in revenue.



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American Business Men's Research Foundation

### High Returns

In the 1973 program expenditure survey by the ABMRF, only 5 states returned 10 cents or more to programs for each dollar of liquor revenue. This time, 11 states spent amounts equal to 10 cents or more for alcohol programs for each dollar of liquor revenue received. Alaska headed the list at 34 cents, followed by Wisconsin at 20 cents and Colorado at 19 cents.

New York, California, Massachusetts, Wisconsin and Texas all spent more than \$15 million in state and local funds for alcohol programs, while 23 states managed to return to alcohol programs amounts larger than the national average of 6 cents.

### Low Returns

→ Kansas, Mississippi, Arkansas, Alabama and Nevada all return less than one cent per dollar of liquor revenue to alcohol programs. Half of the states return less than 5% of their liquor revenues to alcohol programs in the U.S.

ALCOHOL REVENUES AND ALCOHOL PROGRAM  
EXPENDITURES

	State, Local Liquor Revenue	State, Local Alcoholism Program Expenditures	Alcoholism Program Expenditures per each \$1.00 in Liquor Revenue	Rank
Alabama	\$ 76,325,209	500,000	\$.0066	47
Alaska	6,234,321	2,139,380	.3432	1
Arizona	29,782,626	3,300,000	.1108	10
Arkansas	18,056,464	97,916	.0054	48
California	323,084,722	18,503,221	.0573	24
Colorado	27,701,128	5,384,711	.1944	3
Connecticut	63,100,280	7,840,908	.1243	8
Delaware	4,634,384	417,894	.0902	12
Washington, D.C.	24,685,584	4,662,478	.1889	4
Florida	218,311,387	4,333,000	.0198	39
Georgia	132,425,029	2,746,478	.0207	38
Hawaii	17,638,931	311,809	.0177	40
Idaho	16,746,755	1,098,958	.0656	19
Illinois	158,659,822	10,300,000	.0649	20
Indiana	52,641,485	2,000,000	.0380	29
Iowa	52,786,135	4,000,000	.0758	15
Kansas	17,097,617	16,657	.0010	50
Kentucky	37,426,291	2,592,681	.0693	18
Louisiana	64,835,512	2,350,000	.0362	30
Maine	24,334,353	650,000	.0267	37
Maryland	60,599,942	3,009,157	.0497	25
Massachusetts	101,725,436	16,000,000	.1573	6
Michigan	192,044,634	6,444,000	.0336	32
Minnesota	80,486,097	12,720,700	.1580	5
Mississippi	42,569,915	152,000	.0036	49
Missouri	43,406,285	3,096,345	.0713	16
Montana	16,656,209	750,000	.0450	27
Nebraska	17,303,600	577,000	.0333	33
<del>Nevada</del>	<del>21,441,005</del>	<del>150,000</del>	<del>.0070</del>	<del>46</del>
New Hampshire	26,684,730	905,689	.0339	31
New Jersey	118,003,901	1,674,500	.0142	44
New Mexico	15,901,285	470,000	.0296	34
New York	394,962,168	24,000,000	.0608	22
North Carolina	110,424,104	13,954,379	.1264	7
North Dakota	11,517,734	1,200,000	.1042	13
Ohio	203,542,039	2,200,000	.0108	45
Oklahoma	33,706,275	3,802,707	.1128	9
Oregon	45,357,585	4,326,450	.0954	11
Pennsylvania	177,375,173	11,514,800	.0649	21
Rhode Island	17,275,257	486,725	.0282	36
South Carolina	77,946,911	3,333,000	.0428	28
South Dakota	11,322,965	328,000	.0290	35
Tennessee	76,658,509	1,096,965	.0143	43
Texas	182,260,075	15,451,657	.0848	14
Utah	16,178,783	983,236	.0608	23
Vermont	13,270,927	205,700	.0155	41
Virginia	93,837,457	1,346,915	.0144	42
Washington	119,271,508	8,505,000	.0713	17
West Virginia	31,669,683	1,520,000	.0480	26
Wisconsin	74,745,823	15,655,910	.2095	2
Wyoming	4,736,162	Not Available	—	—
U.S.A.	3,799,390,302	229,106,926	.0603	—

# alcohol abstracts

1974 Total Collections Are Over \$9 Billion; Up \$385 Million Over 1973 Revenues

## ALCOHOL REVENUES HIT NEW RECORD AT BOTH STATE AND FEDERAL LEVELS

February, 1976

Federal, state and local alcohol revenues hit a record \$9.3 billion in 1974, representing an increase of \$385 million over the previous year.

Most of that increase came from state and local revenues, which showed a 10% gain in 1974. Federal collections were up by only 2%.

### Federal Taxes Unchanged

The primary reason for the lesser gain in alcoholic beverage assessments at the federal level is that taxes on beer, wine and spirits have been unchanged for more than two decades. The federal tax on distilled spirits was raised up to \$10.50 per proof gallon in 1951 and has remained there ever since. The federal beer tax of \$9.00 per barrel has been unchanged since 1951, and are only \$3.00 per barrel higher than they were in the pre-prohibition era, some 55 years ago. High-volume table wines have been taxed at 17 cents per gallon since 1951, with no indication of change in recent years.

In 1974, Americans spent some \$29 billion on alcoholic beverages, nearly one-third of which represented taxes at the national, state and local levels. Total collections for taxes are as follows:

Federal .....	\$5,532,096,765
State .....	3,445,104,151
Local .....	354,286,151
Total .....	\$9,331,487,067

Most of the federal alcohol tax collections come from distilled spirits, with \$3.9 billion of the 1974 collections coming from this source. Revenue from beer was \$1.2 billion and wine

assessments ran \$173 million. The balance of the \$5.5 billion in federal alcohol revenue came from import duties and miscellaneous revenue.

### State Gains

The 10% gain in state and local revenues over 1973 came partially from increased alcoholic beverage sales and in part from higher taxes.

In 1973 the per capita alcohol revenue in open, or licensed states was \$15.20. That rose to \$17.16, for a 14% increase in 1974, while the per capita alcohol revenue in the 17 control states was up by only 4%, from \$19.25 to \$19.86. As a general rule, per capita consumption of alcohol tends to be lower in the control states, and the revenue tends to run higher. But 1974 tax collections show that the revenue gap is narrowing.

### New York, California Lead in Total Revenue

New York leads the list in state and local alcohol revenues with \$394 million, followed by California with \$323 million. Florida collected \$218 million and Ohio banked \$203 million. Other states who earned more than \$100,000 in alcohol revenue for 1974 were Georgia, Illinois, Michigan, North Carolina, Pennsylvania, Texas and Washington. Massachusetts and New Jersey joined the \$100 million plus states for the first time in 1974.

### Losses Registered

Alcohol revenue losses were registered in five states in 1974. Collections dropped nearly \$9 million in Pennsylvania, and nearly \$4 million in Missouri. Minor losses were registered in Montana, Vermont, and Washington, D.C. in 1974.

### Gains in 46 States

Texas registered a gain of \$60 million in alcohol revenue for 1974. California showed a \$46 million increase, while New York and New Jersey both showed \$41 million in additional alcohol revenue for 1974. Significant increases were also charted for Florida (\$18 million), Georgia (\$17 million) and Indiana (\$13 million).

New Jersey showed the largest percentage gain for increased alcohol revenue at 54%, followed by Texas at 50%, South Dakota at 42%, Indiana at 33%, and New Mexico at 32%.



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STATE AND LOCAL ALCOHOL REVENUE 1973-1974

State	1974 Revenue	Per Capita	Rank	1973 Revenue	Per Capita	Rank	(Decrease) Increase	Per Cent
Alabama	76,325,209	21.34	12	70,967,596	20.05	14	5,357,613	8%
Alaska	6,234,321	18.50	23	5,936,564	17.99	22	297,757	5%
Arizona	29,782,626	13.83	40	27,505,851	13.37	35	2,276,775	8%
Arkansas	18,056,464	8.76	49	17,120,522	8.40	48	935,942	5%
California	323,084,722	15.45	34	277,039,624	13.45	34	46,045,098	17%
Colorado	27,701,128	11.10	46	24,595,822	10.09	45	3,105,306	13%
Connecticut	63,100,280	20.43	18	61,738,401	20.07	13	1,361,879	2%
Delaware	4,634,384	8.09	50	4,581,256	7.95	49	53,128	1%
Washington, D.C.	24,685,584	34.14	3	25,629,084	34.36	2	(943,500)	-4%
Florida	218,311,387	26.99	8	199,817,271	26.02	6	18,494,116	9%
Georgia	132,425,029	27.13	7	115,367,565	24.11	8	17,057,464	15%
Hawaii	17,638,931	20.83	15	16,030,210	19.27	17	1,608,721	10%
Idaho	16,746,755	20.96	14	16,189,719	21.03	11	557,036	3%
Illinois	158,659,822	14.25	38	149,512,082	13.31	36	9,147,740	6%
Indiana	52,641,485	9.88	47	39,504,560	7.43	50	13,136,925	33%
Iowa	52,786,135	18.49	24	48,867,851	16.83	25	3,918,284	8%
Kansas	17,097,617	7.53	51	15,994,599	7.02	51	1,103,018	7%
Kentucky	37,426,291	11.15	45	37,045,650	11.08	41	380,641	1%
Louisiana	64,835,512	17.23	30	62,210,294	16.53	28	2,625,218	4%
Maine	24,334,353	23.24	9	23,991,804	23.34	10	342,549	1%
Maryland	60,599,942	14.80	37	58,391,022	14.35	33	2,208,920	4%
Massachusetts	101,725,436	17.54	29	98,340,674	16.90	24	3,384,762	3%
Michigan	192,044,634	21.11	13	181,608,746	20.08	12	10,435,888	6%
Minnesota	80,486,097	20.55	17	77,807,126	19.97	15	2,678,971	3%
Mississippi	42,569,915	18.32	26	37,813,662	16.58	27	4,756,253	13%
Missouri	43,406,285	9.09	48	47,322,216	9.95	47	(3,915,931)	-8%
Montana	16,656,299	22.66	10	17,173,890	23.82	9	(517,591)	-3%
Nebraska	17,303,600	11.21	44	15,466,892	10.03	46	1,836,708	12%
Nevada	21,441,005	17.12	1	19,597,158	15.76	1	1,843,847	9%
New Hampshire	26,684,730	33.03	4	26,417,129	33.40	3	267,601	1%
New Jersey	118,003,901	16.10	33	76,388,519	10.38	43	41,615,382	54%
New Mexico	15,901,285	14.17	39	12,051,016	10.90	42	3,850,269	32%
New York	394,962,168	21.81	11	353,493,421	19.35	16	41,468,747	12%
North Carolina	110,424,104	20.59	16	101,321,280	19.22	18	9,102,824	9%
North Dakota	11,517,734	18.08	27	10,735,539	16.77	26	782,195	7%
Ohio	203,542,039	18.96	21	200,898,889	18.72	21	2,643,150	1%
Oklahoma	33,706,275	12.44	43	31,993,774	12.01	39	1,712,501	5%
Oregon	45,357,585	20.02	19	42,167,515	18.95	19	3,190,070	8%
Pennsylvania	177,375,173	14.99	36	186,355,203	15.66	31	(8,980,030)	-5%
Rhode Island	17,275,257	18.44	25	17,022,530	17.49	23	252,727	1%
South Carolina	77,946,911	28.00	6	66,149,815	24.27	7	11,797,096	18%
South Dakota	11,322,965	16.60	31	7,988,546	11.66	40	3,334,419	42%
Tennessee	76,658,509	18.57	22	66,685,072	16.16	30	9,973,437	15%
Texas	182,260,075	15.13	35	121,710,974	10.32	44	60,549,101	50%
Utah	16,178,783	13.79	41	15,322,623	13.25	37	846,160	6%
Vermont	13,270,927	28.24	5	14,026,711	30.23	5	(755,784)	-5%
Virginia	93,837,457	19.12	20	91,033,870	18.92	20	2,803,587	3%
Washington	119,271,508	34.31	2	109,358,994	31.89	4	9,913,314	9%
West Virginia	31,669,683	17.68	28	29,287,395	16.33	29	2,382,288	8%
Wisconsin	74,745,823	16.37	32	68,640,369	15.02	32	6,105,454	9%
Wyoming	4,736,162	13.19	42	4,269,781	12.10	38	466,381	11%
U.S.A.	\$3,799,390,302	17.97	—	3,446,496,676	16.42	—	352,893,626	10%

Source: Distilled Spirits Council of the U.S.  
Internal Revenue Service

Section III - Needs, Objectives, and Priorities

The goals, objectives and priorities of the Nevada State Bureau of Alcohol and Drug Abuse services have been established to be in compliance with the respective categories of administration, planning coordination, treatment and rehabilitation, information systems, research and evaluation, education, prevention, intervention, training, and the criminal justice interface. Each of these will be dealt with more specifically in Section V, Action Plan and Program Operations.

1980 GOAL: Provide a Network of Services for the Treatment, Rehabilitation and Addiction. ~~De-tox ?~~

- OBJECTIVES:
- Make Available emergency care services statewide.
  - Provide for a full range of inpatient and outpatient care in urban centers and available to rural areas with all local medical resources accepting their responsibility.
  - Develop a system which will identify and refer the chemical substance abuser to service programs on a statewide basis.
  - Develop a system which will interface service programs on a statewide basis.
  - Revise the Nevada Revised Statutes (NRS) in terms of modern prevention, treatment, and rehabilitation theory.

OUTPUT  
MEASURES  
1977

Finalize and fully implement credentialling model:

- a. Facility licensure
- b. Program accreditation
- c. Personnel certification

All facilities, programs and personnel who fall under the jurisdiction of the Bureau will either have been fully credentialled or be in the process.

Statewide education and training model system:

- a. Continued BADA supervision of drug education program for Nevada public schools. ?
- b. Statewide training opportunities based upon needs assessment for the following personnel:
  - 1. Program personnel
  - 2. Umbrella agency personnel
  - 3. Bureau and related state agency personnel

Approximately 550 individuals will be involved in FY'77 training system.

Complete third year of data collection system to include:

- a. IDARP/MIS - client data information
- b. DAPRU document
- c. FMIS accountability report
- d. Program monitoring document

Each program receiving state/federal dollars will be involved with central intake and submit total funding matrix.

Develop, research, and formulate third party sources:

- a. Health carriers
- b. Title XX
- c. O.P.C.

Develop legislative package to include:

- a. Mandatory health insurance coverage
- b. Cleanup legislation



DEPARTMENT OF HUMAN RESOURCES - REHABILITATION DIVISION  
(BUREAU OF ALCOHOL AND DRUG ABUSE)

PROVIDE A NETWORK OF SERVICES FOR THE TREATMENT, REHABILITATION AND PREVENTION OF CHEMICAL SUBSTANCE ADDICTION.

Make available emergency care services statewide.

DETOX?

Provide for a full range of inpatient and outpatient care in urban centers and available to rural areas with all local medical resources accepting their responsibility.

Develop a system which will identify and refer the chemical substance abuser to service programs on a statewide basis. ← CENTRAL INTAKE

Develop a system which will interface service programs on a statewide basis. ↘

Revise the Nevada Revised Statutes (NRS) in terms of modern prevention, treatment and rehabilitation theory and provide a sound fiscal basis for statewide programming.

Increase services to clients through funded grants → LIMITED FUNDING  
by approximately 50%.

Develop and implement B.A.D.A. data collecting mechanism(s) to include the following:

- A. Integrated substance abuse reporting process.
- B. Substance abuse resource units.
- C. Financial management information system.
- D. Evaluation of substance abuse resource units.

Reorganize and update Alcohol and Drug Abuse State Plans into one document.

Increase coordination, as evidenced by reporting process, of agencies providing services in substance abuse.

Develop and implement statewide training model to improve quality of services to clients involving the following:

- A. State related agencies personnel.
- B. Umbrella personnel.
- C. Program personnel.
- D. 14 State Area Alcohol Education and Training projects.

Revise NRS in terms of modern prevention, treatment and rehabilitation, licensure and accreditation of programs, and update of definition of terms.

of alcoholics. The Assemblyman stated that she has been associated with the Drug Abuse Council for many years, and wanted to emphasize that alcoholism is treatable.

Dr. Richard Gilmore, Chief Psychiatrist at Washoe Medical Center, said that he was interested in this as a private citizen. Dr. Gilmore stated that Mr. Ogren, Administrator of Washoe Medical said that if he had the funding, he had twenty beds available for a special de-tox facility. Senator Raggio concurred that Mr. Ogren had called his office and confirmed this fact.

Senator Schofield asked if the Doctor knew about the cost of the program? Dr. Gilmore stated that the cost is amended by follow-up of successful patients in their gainful employment, and their lack of social problems.

Senator Blakemore asked if there was a new approach to convincing the alcoholic that he is an alcoholic? Dr. Gilmore said that the patient must admit that he is an alcoholic, but most of the treatment centers are staffed by former alcoholics who have had to face this emotional problem themselves.

Senator Faiss questioned if the diet contributes to part of the problem? Dr. Gilmore said that this is true, and this contributes to atrophy of the cerebellum, a part of the brain.

Chief Jim Parker, of the Reno City Police, spoke next, and submitted Resolution #3184 (Exhibit "A") from the Reno City Council that requested favorable consideration of S.B. 247 and A.B. 334 (Assemblyman Gomes legislation). The Chief also submitted a letter from Reverend Thomas E. Wright of the Nevada Catholic Welfare Bureau, (Exhibit "B"), which gives suggestions on the operation of a de-tox center. The Chief stated that the police have the jurisdiction to hold an inebriate for 48 hours which creates a "revolving-door" situation. In 1975, the station held 5,017 people for C.P.C.; and in 1976 it went up to 6,044, which is a twenty percent increase. The Chief gave a breakdown of the 1976 figure: 69% of the total were one and two time offenders, etc. (Exhibit "C"). Chief Parker said that out of his total arrests, only about 10% are out-of-state people, so the problem is local. Chief Parker stated that C.P.C. arrests amount to about one-half of his detentions. It averages about two man-hours to process these arrests, and this constitutes a minimum of 12,000 man-hours for 1976. Chief Parker suggested that there be some type of legislation accompanying this appropriation that creates a mandatory time-frame for the length of stay. Senator Raggio said that the length of stay would be part of the structured program conducted by the State Bureau. Senator

STATE OF NEVADA  
DEPARTMENT OF HUMAN RESOURCES

ROGER S. TROUNDAY, DIRECTOR

MIKE O'CALLAGHAN, GOVERNOR

DEL FROST, ADMINISTRATOR



REHABILITATION DIVISION  
BUREAU OF ALCOHOL AND DRUG ABUSE  
5TH FLOOR, KINKEAD BUILDING  
505 EAST KING STREET  
STATE CAPITOL COMPLEX  
CARSON CITY, NEVADA 89710

TESTIMONY FOR A.B. 334

Date: Tuesday, April 12, 1977  
Time: 8:00 a.m.  
Assembly Ways & Means Committee

The question before this committee is not whether or not there exists a problem with alcoholism and alcohol abuse, but if the Nevada legislature feels that such an appropriation would be used in the best interests of the clients in which it would be intended.

As administrator for the Bureau of Alcohol and Drug Abuse, I have previously placed in the record that over 90% of this money would go directly to the service area, and that the Bureau would be responsible for who, where, when and how the funds are utilized.

You have received a programmatic budget as well as documentation that shows that there does exist both fiscal and programmatic controls which complies with both legislative intent as well as state and federal rules and regulations.

It is also a matter of record, both in Nevada and at the federal level, that Nevada is one of the first states to have planned and implemented not only a combined state plan, but a process which places controls and guarantees the taxpayer the following:

1. All personnel providing services and/or funds have a certain level of certified capabilities.
2. All programs regardless of client served have been accredited and have on file with the state a complete program service delivery system from client entrance criteria to exit process.
3. All facilities have been licensed in accordance with NRS 449 by the State Fire Marshal and the Bureau of Health Facilities.

If anyone is looking for a lifelong solution or guarantee that once a person is chemically free that they will remain so, I cannot make such a statement. The one thing that I can guarantee is that the funds, if allocated, will be utilized for which it is intended and that it will be fully accounted for.

A handwritten signature in black ink, appearing to read "Paul Cohen", written over a horizontal line.

PAUL COHEN, CHIEF  
BUREAU OF ALCOHOL AND DRUG ABUSE

PC:br

Record 246

SPEECH OF BILL WOLLITZ

Original document is of poor quality

In Previous ~~statements~~ <sup>hearings</sup> we spent considerable time justifying the need for additional funds for Alcohol detoxification and for treatment. While I have provided you with a few statistics I won't dwell on them. I think you must recognize the seriousness of Alcoholism in the state.

A few people have questioned whether there exists a system sufficient to adequately utilize this money. You should know that this money would go to the State Bureau of Alcohol and Drug Abuse. The Bureau would then release it, state wide, to only those programs which are in the state's accreditation process. To only those programs which have certified staff. Thus accountability is assured.

Each of the Washoe County programs provide a unique set of services. There is no duplication of services. In fact at the present funding level there exists service gaps we can do nothing about.

We lack a women's residential & a juvenile residential facility. We lack sufficient detoxification services and a sufficient number of beds for males. We lack a minority youth program.

While it is a well known fact that no state money has ever gone into alcohol detoxification. I find it amazing to learn that this state provides no state grant money for the treatment of alcohol. NONE. Only local & federal money is provided.

THE AMERICAN BUSINESS MEN'S RESEARCH FOUNDATION SHOWS THAT EVERY WESTERN STATE PROVIDES FAR MORE FOR ALCOHOLISM PROGRAM EXPENDITURES THAN DOES NEVADA.

1. ARIZONA	PROVIDES	1.1% PER \$1.00 OF LIQUOR REVENUE TO PROGRAM
2. CALIF.	"	.05%
3. IDAHO	"	.06%
4. MONTANA	"	.04%
5. OREGON	"	.09%
6. UTAH	"	.06%
7. WASH.	"	.07%
8. NEVADA	"	.007%

YOUR FAMILIAR PERHAPS WITH RENO P.D.'S STATISTICS SHOWING OVER 6,000 PERSONS DETAINED FOR CIVIL PROTECTIVE CUSTODY & 1,282 ARRESTS FOR D.U.I. IN 1975. 85% OF THESE PERSONS WERE LOCAL RESIDENTS.

WE AT CENTRAL INTAKE HAVE INTERVIEWED 50+ INDIVIDUALS SEEKING TREATMENT SINCE AUGUST, THE GREAT MAJORITY WITH ALCOHOL PROBLEMS AND HAVE SOUGHT HELP FOR THESE FELTS

WE ARE KEENLY AWARE OF THE INCREDIBLE JOB THESE TREATMENT PROGRAMS ARE DOING WITH LIMITED FEDERAL AND LOCAL MONEY. WE ARE PAINFULLY AWARE OF THE SERVICES WE CANNOT PROVIDE.

NEVADA REAPS THE BENEFITS OF THE MILLIONS OF DOLLARS EACH YEAR GAINED THROUGH ALCOHOL REVENUE. SOME MONEY MUST GO TO TREATMENT.

I URGE YOU TO PASS THIS ON TO THE FLOOR SO THAT AT LEAST ALL LEGISLATORS AND THE PUBLIC CAN FULLY SEE THIS PROBLEM.