

TO: The Honorable Edward Kasemeyer and Members, Senate Budget and Taxation  
Committee  
The Honorable Thomas Middleton and Members, Senate Finance Committee

CC: The Honorable Verna Jones-Rodwell

FROM: Gene M. Ransom, III  
Chief Executive Officer

DATE: February 23, 2011

RE: SUPPORT WITH AMENDMENT – **Senate Bill 168** – *The Lorraine Sheehan Health  
and Community Services Act of 2011*

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The Maryland State Medical Society (MedChi), which represents over 7,400 Maryland physicians and their patients, supports Senate Bill 168 with amendments.

Currently, Maryland's alcohol tax is the lowest in the country. Senate Bill 168, *The Lorraine Sheehan Health and Community Services Act of 2011*, would raise the alcohol tax on beer and wine for the first time since 1972 and raise the tax on liquor for the first time since 1955. Studies show that an increase in alcohol taxes is directly linked to a noticeable decrease in deaths from alcohol-related diseases and traffic fatalities.

However, the public health benefits are not the only reason to support the increase. MedChi would suggest the increase be used for the Medicaid budget and public health programs. We would specifically request that the legislation be amended such that any additional funds received are dedicated to healthcare services. While we recognize this tax increase would only make a small contribution to the Medicaid budget, the change could be a positive first step.

In summation MedChi, the Maryland State Medical Society supports an increase in the state alcohol tax with the proviso that the funds resulting from the tax increase must be dedicated to Medicaid, healthcare, public health, and substance abuse programs.

**For more information call:**

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