



AMERICAN
CIDER
ASSOCIATION

Pushing Back on the False Narratives of Neo-Prohibitionists

PRESENTED BY:

Aaron Sarnoff-Wood



AGENDA

- 1 Anti-Alcohol Movement in Oregon
- 2 Analyze Talking Points
- 3 Understand Strategies
- 4 Investigate Alcohol & Health Research
- 5 What Can We Do?
- 6 Have a Pint





Alcohol kills more people than all other drugs combined across the state. The **death rate** for alcohol has **increased by over 30%** in the last decade alone.

Alcohol Use

is the

3RD **Leading Cause**

of **PREVENTABLE DEATH** in **OREGON**

Oregon Health Authority



My name is Aaron Sarnoff-Wood. I am a co-founder of 2 Towns Ciderhouse

- 2 Towns Founded in 2010
- Largest independent cider producer in the United States by IRI
- 2024 Cidery of the year GABF & Glintcap

Most importantly for this conversation, I was also a member of the **HB3610** task force on alcohol taxation and addiction.



Professional
game face

Addiction to drugs, alcohol deepens in Oregon, report shows

The state's addiction crisis has worsened since the pandemic hit, according to a federal survey

By LYNNIE TERRY - FEBRUARY 7, 2022 5:45 AM



As alcohol-related deaths rise in Oregon, OHA wants to spark more conversations around excessive drinking



By Rolando Hernandez (OPB)

Dec. 11, 2023 6 a.m.

'It's crazy out there': The reasons behind Oregon's deepening drug crisis



By Conrad Wilson (OPB)

May 30, 2023 5 a.m.

New study quantifies the cost of excessive drinking in Oregon



By Elizabeth Hayes - Staff Reporter, Portland Business Journal
Feb 24, 2021

The New York Times

Rise in Deaths Spurs Effort to Raise Alcohol Taxes

A drink a day increases breast cancer risk 14%, OHA warns

Central Oregon Daily News Staff Oct 16, 2024

The Devastating Impact of Alcohol in Oregon, United States

During the pandemic a lot of media began focusing on worsening public health issues claimed to be related to alcohol and drug addiction. Most of the reporting in Oregon relied on an improper analysis of data. Incorrect conclusions were used as justifications by those wanting to increase tax or damage the alcohol industry.

HOW DID THIS ALL BEGIN?

81st OREGON LEGISLATIVE ASSEMBLY--2021 Regular Session

House Bill 3296

Sponsored by Representatives SANCHEZ, PRUSAK

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure as introduced.

Increases privilege taxes imposed upon manufacturer or importing distributor of malt beverages, wine or cider. Provides for distribution of portion of increased revenues to Oregon Health Authority for purpose of funding behavioral health and substance use programs. Holds harmless cities and counties currently receiving distributions of tax revenues from malt beverages, wine or cider. Establishes Addiction Crisis Recovery Fund. Prescribes uses of fund. Requires revenues from increased taxes to be deposited in fund. Requires biennial increase of markup prices for distilled liquor sold in state. Requires amounts due to increase to be deposited in fund. Revises distribution amounts from Oregon Liquor Control Commission Account.

Applies to manufacture or distribution of malt beverages, wine or cider occurring on or after January 1, 2022.

Takes effect on 91st day following adjournment sine die.

2021: Rep. Sanchez introduces HB3296, she claims in response to “Addiction Epidemic”

- 2,600% increase to excise taxes
- Annual tax increases every year after initial increase based on CPI
- Sponsored by Rep. Sanchez at the request of Oregon Recovers – a neo-prohibition group active in OR
- Bill never makes it to a vote



Ex-Director Oregon Recovers, Mike Marshall



Marshall is also on the board of directors for US Alcohol Policy Alliance, a national anti-alcohol group



OR. Rep. Tawna Sanchez

2022: Rep. Sanchez tries again with HB3312.

- Reduced to a 1,400% increase in excise taxes
- Same annual increase language
- Supported with even stronger claims related to the societal harms of alcohol
- Again at the request of Oregon Recovers
- This bill also fails to make it off the house floor, but garners far more support and media attention than it should have.



Frustrated by the failures of the first 2 attempts to increase taxes Sanchez proposes a bill that would form a task force to study the impacts of taxation on alcohol consumption and provide feedback on what the state should do. This bill passes.



What is HB3610 task force and how does it relate to us?

- The task force was created under the guise of studying tax impacts on alcohol consumption and addiction.
- In reality, the task force was formed to provide a recommendation to impose crippling new taxes based on faulty data – the tactics employed in Oregon are also being used in other areas across the country.

Both HB3296 & HB3312 were based on the following claims:

1. Alcohol consumption is increasing dangerously
2. Rates of dangerous drinking habits are on the rise
3. Death rates from alcohol are increasing
4. Addiction rates in Oregon spiked & Oregon ranks 2nd worst in the nation in rates of addiction and last in access to recovery services.
5. The state is facing a dire lack of recovery treatment beds
6. Massive tax increases are necessary to curb consumption and fund recovery efforts.

Each claim made in support of this bill was found to be based on misinformation or misleading information. Ultimately, both bills failed – The rhetoric however, continues.

Premise 1: Alcohol Consumption Dangerously Increasing

Alcohol indicators are on the rise



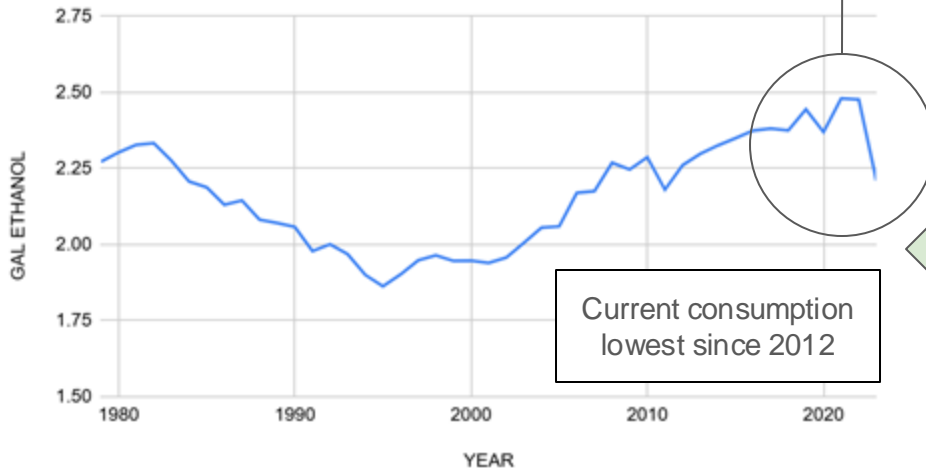
Per capita alcohol consumption

1990-2021
(pure alcohol in gallons)



Source: OHA Theoretical Model

Per Capita Gallons of Ethanol Per Year



Current consumption lowest since 2012

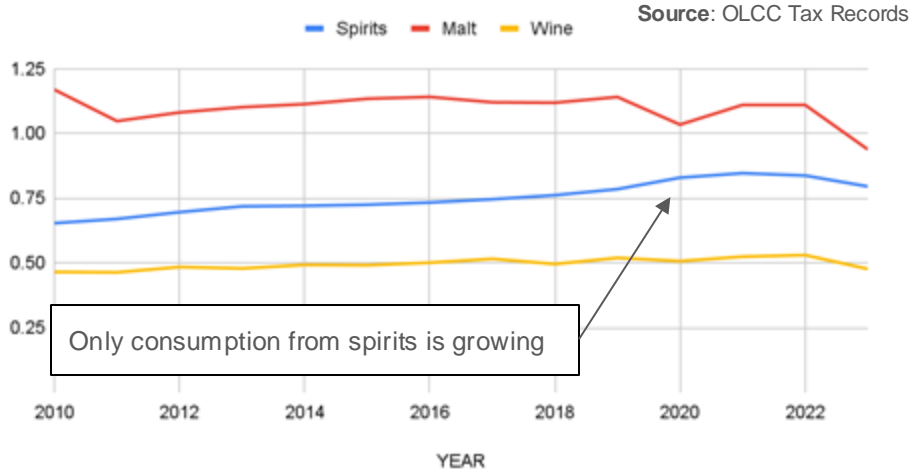
OHA claimed consumption was growing with this chart.

However, OHA did not track consumption – they created a model to estimate the consumption rates based on “national trends”

This chart is tracking OLCC tax gallons of ethanol produced or imported into Oregon. There was a sharp decline in consumption post-pandemic not reflected in the OHA model.

Premise 1: Alcohol Consumption Dangerously Increasing

Gallons of Ethanol per Capita by Type



Oregon green-lit \$150M liquor distribution expansion project. While proposing taxes to curb beer/wine consumption, Oregon is investing tax dollars in growing spirits sales.

All growth in consumption from 2010 to 2023 attributable to spirits, not beer, wine or cider

Taxes discussed in HB3610 only impact beer/wine, not spirits

Spirits sold exclusively by the state in Oregon - Beer/Wine competitors of the state.

OLCC Reaches Major Milestones in Building New Distilled Spirits Distribution Center

Agency finalizes contract for new 347,000 sq. ft. warehouse

City of Canby moves ahead with land use approval

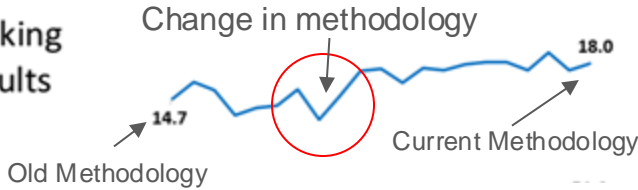
With more space and a state-of-the-art logistics system, the new distribution center will allow the OLCC to better supply businesses and customers across the state

Premise 2: Dangerous Drinking Habits On the Rise



Binge drinking among adults

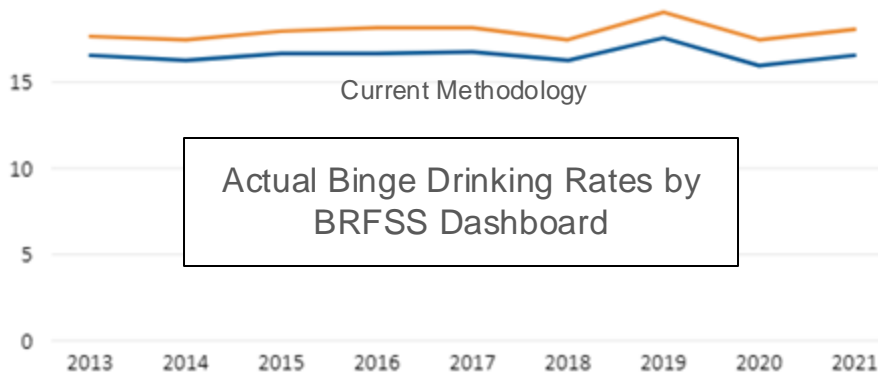
2001-2021
(age-adjusted)



Source: OHA

Improper Binge Drinking Analysis by OHA

● Age-adjusted ● Unadjusted



Data source: Oregon Behavioral Risk Factors Surveillance System ([BRFSS](#)).

OHA presented that rates of binge drinking had increased according to the **Behavioral Risk Factor Surveillance System** - a federal survey on drug/alcohol habits.

BRFSS changed methodology in 2011. OHA compared data before and after the change in methods to make this claim. The CDC indicates this is allowed.

There is no statistically significant increase in rates of binge or excessive drinking when analyzing the data properly

Premise 3: Alcohol Related Deaths Rising

- It's hard to measure alcohol related mortality. Negative health effects take a long time to manifest, many other contributing factors, exercise, diet, smoking, etc.
- CDC built a tool to estimate possible alcohol related mortality based on research.
- Tool attributes a % of death from other causes such as cancer to alcohol – there is no physical proof that these deaths were caused by alcohol
- CDC has been criticized for selectively choosing research to support claims of negative health outcomes while ignoring possible health improvements.

Nearly all alcohol mortality statistics in the US are modeled, not an actual measured rate of mortality.



U.S. CENTERS FOR DISEASE
CONTROL AND PREVENTION



Premise 3: Alcohol Related Deaths Rising



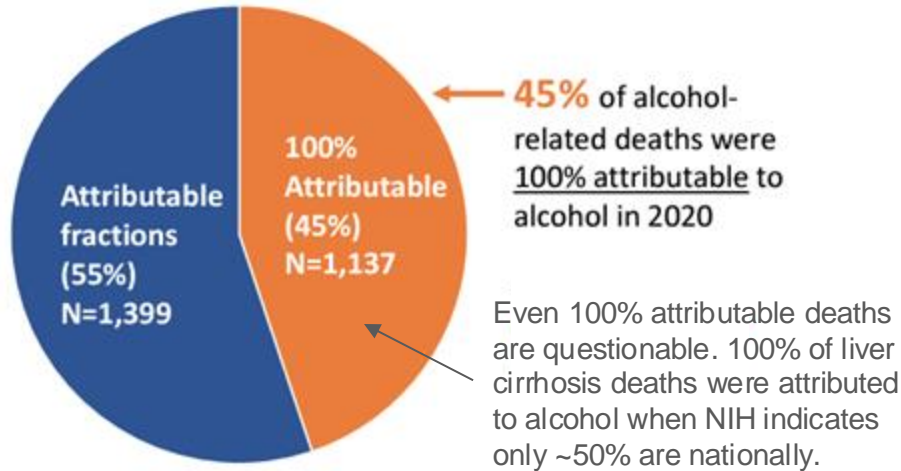
Cancer	Indirect Alcohol-Attributable Fractions		
	Low	Medium	High
Cancer, breast (females only)			
Males	x	x	x
Females	N/A	0.01	0.06
Cancer, colorectal			
Males	N/A	0.02	0.09
Females	N/A	0.00	0.02
Cancer, esophageal			
Males	N/A	0.07	0.32
Females	N/A	0.04	0.17

ARDI assumed a % of deaths from other causes are attributable to alcohol.

This chart is an excerpt from ARDI – it shows what % of various cancers are attributed to alcohol based on rates of consumption.

No research has ever verified these estimated rates as accurate. The CDC has set these rates of attribution based on research, but the methods used are opaque and CDC has been accused of selectively choosing research to build this model.

Premise 3: Alcohol Related Deaths Rising



Source: Oregon Health Authority, cited to "Death Certificates"

More than half of all death attributed to alcohol in OR had no proof. The death certificates cited by the state did not mention alcohol at all.

Alcohol-related death rate, Oregon, 2011-2020
Age-adjusted rate per 100,000 population



ARDI regularly changes methods. CDC indicates it is not possible to compare year over year estimated rates of death as is done here to claim increasing rates of mortality.

Premise 3: Alcohol Related Deaths Rising

1.



Modeling
used to create
consumption
rates

2.



Modeled
consumption
rates used in
ARDI model

3.



ARDI model returns
either a higher or
lower estimated
rate of mortality
depending on the
desired outcome

4.



Mortality stats
presented as
factual and used
as justification for
legislative efforts

Premise 4: Addiction Rates were Spiking

Every year the Substance Abuse & Mental Health Services Administration (SAMHSA) conducts a survey of drug/alcohol use habits. From this data they estimate the percentage of the population that has a substance use disorder (SUD).

- 2020 NSDUH changed methodology. Older data is not compatible with newer data
- New method used in 2020 is more aggressive and estimated double the rate of SUDs
- Media incorrectly compared 2019 to 2020 data and concluded there had been increases in rates of SUDs when the increase was caused by changing methods, not an increase in addiction.



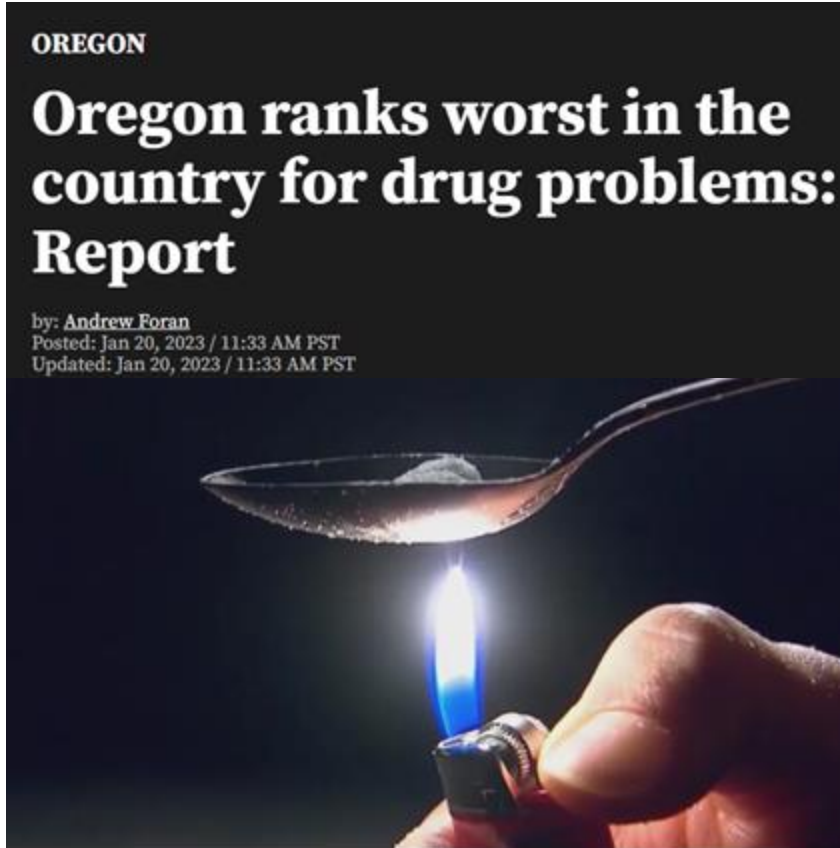
Addiction to drugs, alcohol deepens in Oregon, report shows

The state's addiction crisis has worsened since the pandemic hit, according to a federal survey

BY LINNIE TERRY • FEBRUARY 1, 2022 5:43 AM



Premise 4: Addiction Rates were Spiking



The much publicized talking point – Oregon is one of the worst in the nation for rates of addiction was based on an improper analysis of the NSDUH data.

There is no statistically significant difference between Oregon and 37 other states.

SAMHSA warns against making state rankings as was done in this reporting. A version of this claim was included the text of HB3312.

Premise 5: Lacking Recovery Beds

Oregon has huge shortage of treatment beds, consultant finds

Despite recent investments of more than \$1.5 billion into Oregon's behavioral health system, the state falls far short of what it needs to meet demand for treatment, according to a new report

by [EMILY GREEN](#) | THE LUND REPORT PREMIUM

FEBRUARY 1, 2024

- Officials claim OR is lacking recovery treatment capacity
- OHA asked for an additional **\$6.8 billion** to finance increasing capacity (~6% of Oregon's entire budget)
- No research was ever conducted to measure actual treatment capacity in OR

The state never checked how often treatment beds were in use or how many patients were waiting for access to treatment. A 2020 federal survey found ~24% of recovery assets were underutilized.

Premise 5: Lacking Recovery Beds



September 30, 2022

Updated February 2024



SCHOOL OF
PUBLIC HEALTH

Oregon Substance Use Disorder Services Inventory and Gap Analysis

Estimating the need and capacity for services in Oregon
across the continuum of care

Oregon Health Authority produced this document to support their claim of lacking recovery capacity.

The report relies entirely on **theoretical modeling** to estimate recovery needs. There are no measurements taken of actual treatment bed usage rates or number of patients needing treatment.

Premise 6: Taxes Will Curb Excessive Consumption

- OHA and Rep. Sanchez argued that taxes are necessary to curb excessive consumption. This concept was used in justification of the need of HB3296 & HB3312.
- OHA hired a consulting firm - EcoNorthwest to conduct a study on the projected impacts of taxes on consumption.
- ECONW concluded that a ~2,400% increase to excise taxes (the tax increase proposed in HB3296) would only reduce excessive consumption by ~1%. OHA misrepresented the findings as the opposite of what ECONW concluded.

Oregon Health Authority said its cover-up of beer and wine tax study was inadvertent. That's false

By [Sami Edge](#) | [The Oregonian/OregonLive](#)

OHA's suppression of the ECONW report was only uncovered due to our involvement in the HB3610 task force.

Public records requests unveiled emails indicating OHA's intentional misrepresentation of data to push their objective of increasing taxes.

Premise 6: Taxes Will Curb Excessive Consumption

In addition to covering up research that contradicted the effectiveness of taxes on curbing consumption we learned the following facts about Oregon's current funding situation.

- We learned that Oregon lawmakers were working in a vacuum – nobody had visibility to how much other states were spending
- Oregon was already in the top 3 best funded states in the Nation on a per-capita basis
- Oregon had increased funding 120% since 2021 and OHA could not produce a single statistic showing improvements from that investment
- OHA can not account for 7.4% of all dollars spent on recovery (\$72M) – a figure twice the size of the beer/wine excise tax revenues from the same budget cycle.

CONCLUSIONS



Highly dubious face

After a year of meetings, the HB 3610 task force ended without recommending an increase to taxes.

- Task force membership was intentionally designed with alcohol in the minority.
- This result was only possible due to fact checking and pushback of a handful of task force members

Despite lack of support, Sanchez unveiled a new tax proposal she intends to introduce in the next legislative session. Her proposal was written months prior to the conclusion of the task force indicating this was always her intent.

LEARNINGS

GOVERNMENTAL

- Lawmakers are not experts – no one in this process had even a basic understanding of how the alcohol industry operates, some lacked financial literacies
- Nobody is fact checking. Information is regularly circulated without any efforts to determine its validity
- Governmental agencies have financial incentives to pass taxes that benefit their budgets. There may be an outcome they desire and they are looking for data to support it - the opposite of the scientific method.

MEDIA

- There are few actual investigative journalists, most content is reprints of other reporting. False narratives spread easily
- Health beat reporters must maintain working relationships with state agencies and are hesitant to print negative reporting
- Political beat reporters are much more likely to show interest – especially if the story involves scandal.

Complicated Times for Alcohol

The U.S. surgeon general wants cancer warnings on alcohol. Here's why

UPDATED JANUARY 3, 2025 · 12:03 PM ET ©

HEARD ON MORNING EDITION

By Milton Guevara, Steve Inskeep

First of two major reports on alcohol finds moderate drinking tied to lower mortality

The review, which contradicts some recent studies, will be used to craft the 2025 dietary guidelines



By **Isabella Cueto** Dec. 17, 2024
Chronic Disease Reporter

Lots of headlines about alcohol and health...

Contradictory findings, what does it mean?



No specific study cited in defence of Surgeon General's updated recommendation.

Challenges With Alcohol Health Research

Almost all research related to alcohol consumption impacts on health are observational studies or meta studies. Both of these types of study are susceptible to bias. Much of the research conducted on alcohol is done by individuals who are also advocates for alcohol regulation.

Clinical Research:

- Controlled studies where alcohol intake can be monitored and all other variables controlled.
- Difficult to conduct for ethical reasons - you have to expose subjects to a substance that may negatively impact their health.

Observational Research:

- Studies generally involve self reported surveys of alcohol intake and health outcomes.
- There are many other factors which could impact health outcomes that are difficult to account for.

Meta Studies

- The act of combining many other studies conducted via differing methodologies in a manner to make broader conclusions.
- These studies are highly susceptible to the biases of their authors via selective inclusion or studies or conclusions.

Examples of Anti-Alcohol Advocates / Public Health Researchers



Dr. David Jernigan
Boston University

Heavily involved with alcohol research and policy in the US. Regularly works with the CDC on alcohol policy and board member of Alcohol Policy Alliance (National anti-alcohol group).

“Just to be very blunt about it, I am an advocate. I am an interested scientist. I actually am fairly skeptical of pure objectivity in science and certainly in my own field. What I understand is that the science is easily politicized and in particular it’s politicized by the research questions that people ask, and my research questions have always been driven by what the policy opportunities are in the moment, or what policy opportunities I can promote by doing research that will support people being able to make change...”

Public Health on the Inside Podcast

Jernigan states he designs his research to elicit a desired political response to aid advocacy. He is one of the foremost experts in his field.

Examples of Anti-Alcohol Advocates / Public Health Researchers



Mike Marshall

Ex Director Oregon Recovers,
Current Board Member Alcohol
Policy Council

Ex-campaign manager of John Kitzhaber, the former Governor of Oregon.

Founder and former director of Oregon Recovers, an advocacy group for addiction recovery and neo-prohibition.

Oregon Recovers intimately involved with Oregon Health Authority in censoring what data will be shared publicly in the realm of alcohol and drug policy making.

Was removed from HB3610 task force membership for derogatory comments made about a recently deceased alcohol industry member to the media.

Resigned from Oregon Recovers to pursue political career in Washington DC at Alcohol Policy Alliance. Expect to hear much more from him in the near future. Oregon discussed as proving ground for aggressive anti-alcohol policies.

Takeaways

Check sources and be inquisitive:

- It is easy to make broad claims, ask for citations and specific data backing up a claim. Often a claim relies on a very specific time period or other filter that doesn't represent general trends.
- Is the cited data reputable and are there counter arguments? If in doubt, you can always contact authors of research - they tend to be pretty accessible and open to discuss their findings with serious inquires.

Use your platform: We all run businesses with big loyal followings. We can use our megaphone to influence those making policy decisions. Lawmakers are not reading or doing their own research, provide them with a counter narrative and a reason to support you.



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THANK YOU

PRESENTED BY:

Aaron Sarnoff-Wood

-2025-
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Supplemental Example - Illinois Tax Study

In 2009, Illinois passed a 90% increase to both wine and spirits excise taxes.

- Wine: \$0.73 → \$1.39 / gallon
- Spirits: \$4.50 → \$8.55 / gallon

Beer was only increased \$0.185 → \$0.231

Reduction in consumption was negligible as reductions in consumption in spirits/wine was made up for with increases in beer consumption. Claims that tax reduced drunk driving accidents only looked at 1 year post tax. DOT data shows an upward trend in drunk driving 2010 to 2020.

Takeaway: Substitution is a real problem for tax policy attempting to decrease consumption. Health benefits attributed to these taxes often do not meet the claims of their supporters.

Supplemental Example - Maryland Tax Study

Dr. Jernigan was central in increasing Maryland alcohol sales tax from 6%→9% in 2011. His research synopsis concluded a 3.8% reduction in consumption.

“After combining the alcohol content of all beverage types together, without controlling for other factors, the average gallons of pure alcohol sold per capita was the same before the increased alcohol sales tax and after the tax went into effect”

Jernigan used modeling to estimate that consumption *COULD* have grown 3.8% had the tax not been passed. This was the reduction he advertised while his research showed no actual change in consumption.

Takeaway: This study used modeling to spin inconclusive results. They know lawmakers and the media will not likely read past the synopsis allowing for creative interpretation of data to support their desired outcomes.

Supplemental Example - Minimum Pricing Strategy Scotland

In 2018, Scotland introduced a minimum alcohol pricing strategy designed to reduce excessive consumption. Researchers heralded it a success, however this thinking relied upon modeling and selective data collection.

Projected decreases in consumption were much smaller than measured

Heaviest consumers saw smallest reductions

Cider & perry most impacted beverages

Reductions in hospitalizations misleading due to COVID impacts

Reductions in alcohol mortality modeled, not measured

Takeaways: Heaviest drinkers reduced food and housing spending to accommodate higher prices and did not reduce consumption. Largest reductions came from lighter consumers.