



***Under the Influence:
Campaign Contributions, the Excise Tax, and the
Alcohol Industry in New Mexico***

Acknowledgments

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About Common Cause Education Fund

Established by Common Cause in February 2000 as a separately chartered (501)(c)(3) organization, the Common Cause Education Fund (CCEF) seeks to promote open, honest and accountable government through research, public education and innovative programs.

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Abstract

The effect of alcohol abuse on New Mexicans continues to be severe. Health care related to alcohol abuse, DWI, traffic fatalities, lost wages, domestic abuse, and underage consumption cost residents of the state hundreds of millions of dollars annually. While the economic costs can be measured, the social costs resulting from the aforementioned problems may never be fully quantified. A large majority of the people of New Mexico would like to address the continuing troubles resulting from alcohol abuse, but legislative activity has not fully tackled these concerns. The following report will show that voters of all backgrounds and geographical locations favor an increase to the alcohol excise tax. The report will further document the amount of money the alcohol industry contributes to current and former elected officials. Finally, the report will highlight the relatively low individual cost of an alcohol excise tax increase. Ultimately, the intent of this report is to address the alcohol problem in New Mexico by questioning why elected officials have not responded to voter preferences, and offer data that will elucidate the debate about alcohol excise taxes.

Introduction

The state of New Mexico has experienced long-standing problems with DWIs, alcohol-related health care costs, and alcohol-related traffic fatalities. In spite of each of the problems being publicly addressed in the past decade, statewide through the closing of drive-up liquor windows, and locally by a local option tax in Gallup, New Mexico remains mired in the adverse effects of alcohol. In fact, the economic impact of traffic accidents involving alcohol in 2001 was estimated to be more than \$960 million.¹ The percentage of traffic fatalities involving alcohol in New Mexico was lower in 2002 than it was in 1990. While this is good news, the percentage of traffic fatalities involving alcohol has been steadily increasing since 1999.² Given this disturbing trend alone, it is important to address the alcohol problem in New Mexico.

Efforts were made at the fall 2003 short legislative session to address New Mexico's alcohol problem through an increase in the state alcohol excise tax, which some scientists argue will effectively deter consumption. Various proposals were made, with the common intent of using any revenue from the increased tax for bolstering the state general fund. However, these efforts were met with significant resistance from the alcohol industry, and its allies in the legislature. The use for the tax (general fund revenue) may have been part of the reason why the proposals met with such fierce disapproval. Perhaps if the proposals specifically recommended using excise tax revenue to address the alcohol problem in New Mexico through treatment and prevention, more support would have been given. However, earmarking tax bills can reduce the freedom

¹ DWI Resource Center.

² Ibid.

policy makers have to determine what are the most pressing public needs.³ Whatever the reason for the opposition to an increase in the state alcohol excise tax, it is important to explore why a proposed solution to a problem affecting all New Mexicans was so readily dismissed.

Alcohol industry allies in the state of New Mexico include a variety of distillers, brewers, restaurant associations, and retail associations. These groups oppose increasing the alcohol excise tax, and their lobbyists maintain influence with elected officials, as well as key commissions that make recommendations about state tax policy. During the 2002 election campaign, the alcohol industry contributed \$237,471 to state campaigns in New Mexico, and the industry has already contributed \$4,500 for the relatively young 2004 election campaign.⁴

This Common Cause Education Fund report seeks to increase public awareness of the alcohol industry's influence in the New Mexico State Legislature by showing the link between the alcohol industry's campaign contributions and its lobbying efforts. The report will show that New Mexican voters, especially voters of lower socio-economic status, favor an increase in the alcohol excise tax. Furthermore, contrary to past rhetoric, increasing the alcohol excise tax by mere pennies per beer will not overly burden taxpayers.⁵ Indeed, if applied properly, revenue from an increase in the alcohol excise tax could effectively combat the continued public hazard posed by the abuse of alcohol.

³ It is generally recognized that state legislatures try to avoid earmarking tax bills so that appropriations can be adjusted on a yearly basis.

⁴ These figures simply represent donations from industry lobbyists and individuals representing the alcohol industry. Individual gifts to public officials, separate from official campaign contributions, cannot be tracked because there is no gift ban in New Mexico. Without the existence of a gift ban, one cannot gain a full understanding about all contributions to public officials.

⁵ An increase in the alcohol excise tax will also affect the price of wine and hard liquor.

Finally, a recent recommendation from the National Academies of Science will be highlighted, along with a brief comparison of excise tax rates across various states.

Alcohol Excise Tax Benefits and Public Opinion

State excise taxes, in any form, have been shown to be regressive. Any regressive tax will disproportionately affect people of lower socioeconomic status because they will be paying a larger portion of their income to cover the cost of the tax, even given the same level of consumption, which is often not the case. Alcohol industry representatives in the state of New Mexico have alerted the public to this fact on numerous occasions. While the regressive implications of excise taxes are important to understand for policymaking, there is more to the story when attempting to understand proposed alcohol excise tax increases in the state of New Mexico. Beyond acknowledging that excise taxes are regressive, one must examine public opinion about excise taxes, the use of revenue from excise tax increases, and the underlying benefits those most adversely affected by excise tax increases can realize.

Research and Polling, Inc., an independent research firm based in Albuquerque, polled a sample of registered voters in the state of New Mexico in August of 2003. Among the questions, respondents were asked their opinion about a proposed increase in the alcohol excise tax. Across party lines, and geographical location, 69% of the respondents favored an increase in alcohol excise taxes if the revenue from the tax increase were used as a part of an effort to reduce underage drinking and DWI, either as a matter of program funding or as a pricing strategy to reduce consumption. What is most striking is the poll's finding that voters making less than \$20,000 annually most strongly supported an alcohol excise tax increase (80% favored an increase to the excise tax on

beer, while 82% favored an increase to the tax on hard liquor).⁶ Despite the regressive nature of excise taxes, New Mexicans in the lowest income bracket favor alcohol excise tax increases. What is the reason for this apparent disconnect between the effects of regressive excise taxes, and the overwhelming desire of low income New Mexicans to raise the state alcohol excise tax?

One reason that people who feel the greatest effects of an increase in the alcohol excise tax might favor the increase is that alcohol problems can create devastating costs. Health care, substance abuse programs, reduced productivity, domestic violence, and related social consequences can overwhelm lower income families. Therefore, voters in the lowest income bracket might realize that revenue from increased alcohol excise taxes can be used to develop programs that would benefit them. The social costs of alcohol problems are hard to measure, and often fluctuate greatly from family to family or person to person. However, the fixed costs of excise taxes, while perhaps difficult in the short term for people of lower socioeconomic status, can produce positive long-term effects.

Voters in New Mexico favor an increase in the alcohol excise tax if revenues from the tax are used to combat problems arising from alcohol consumption. Excise taxes disproportionately affect people of lower socioeconomic status, but voters are savvy, and they understand that the fixed costs of excise taxes can help to eradicate the difficult to measure costs of future and present alcohol abuse. Interests tied to the alcohol industry and officials representing the public interest must take this realization into consideration.

Alcohol Industry Campaign Contributions and Legislative Action

⁶ Detailed graphical information about the public opinion poll can be found in Appendix One, which follows the conclusion of the report narrative.

The alcohol industry contributes a significant amount of money to New Mexico state campaigns each election cycle. Given this fact, one cannot help but wonder how influential the industry is in the policy making process, and the passage of laws. In the 2002 election campaign alone, the alcohol industry contributed \$237,471 to legislative and gubernatorial candidates in each of the state's two major political parties. In the relatively young 2004 campaign season, Anheuser Busch has already contributed \$2,500 to the Democratic Party of New Mexico and \$2,000 to the Republican Party of New Mexico. Full public disclosure of the amount of money the alcohol industry contributes to each party, which state legislators receive the largest sums of money, and which companies make the largest contributions is necessary.⁷

The New Mexico Legislature has 112 members. Of the 112 current members, only 31 have not had contributions, or attempts to contribute (as documented by lobbyists and corporate reports), from the alcohol industry since 1998. Since 1998, the alcohol industry contributed \$135,800 to legislative candidates that have won seats. During the same period, the industry contributed an additional \$170,591 to winning gubernatorial candidates. Again, these figures cover only the money contributed to candidates who won elections. The figures climb higher when money contributed to all candidates for office is included.⁸ The alcohol industry targets legislative officials in positions of leadership in both the House and the Senate. House leadership received \$21,250 over the past three election cycles, while Senate leadership received \$9,600 during the same time period. Contributions to key committee chairpersons in the House and Senate during 1998-2002 totals \$16,100.

⁷ Data for this section can be found in Appendix Two.

⁸ Separate totals for current and former office holders will show up in Appendix Two tables.

Over the last three election cycles, the alcohol industry has made a greater proportion of its contributions to Democrats, who have long controlled both chambers. Democrats currently control 61% of the seats in the House. Of the total contributions from the alcohol industry to current members of the House since 1998, Democrats have received \$70,900, or 78% of contributions from the alcohol industry. The disparity in giving is even more lopsided in the Senate. Democrats control 57% of the seats, but Democrats have received 91% of alcohol contributions to current Senate members since 1998. Of the \$29,000 contributed to current members of the Senate since 1998, Democrats have received \$26,500.

Individual contributors with close ties to the alcohol industry made large contributions to the eventual winner of the 2002 gubernatorial race (including contributions of \$10,000, \$15,917, and \$40,000). Also, a few companies have made consistent contributions to members of the House, Senate, and both governors during the three elections covering 1998-2002. The largest six contributing companies made approximately 71% of the contributions during this time period (\$217,349 out of 306,391). Of the six, three companies contributed over \$50,000. These companies and their contributions include Joe G. Maloof and Company-a distributing company headquartered in New Mexico (\$56,250), Anheuser Busch (\$56,100), and Premier Distributing Company (\$54,024)

Contributions made by the alcohol industry to current elected officials are essential to consider when examining the problems stemming from alcohol abuse in New Mexico. It is also useful to briefly review events leading up to the October special session of the state legislature, as well as the proposals introduced for addressing the

alcohol problem. At the behest of Governor Bill Richardson, House Bill 168 created the Blue Ribbon Tax Commission. Legislators, as well as private citizens, were appointed to the commission to study tax reform. During the weeks prior to the special session, the Blue Ribbon Tax Commission met to discuss and develop recommendations for reforming the state tax code. While several issues were discussed, commission consideration of increasing the alcohol excise tax caught the attention of the public, as well as the local media. It was well publicized that the commission voted to recommend an increase in the alcohol excise tax, only to call a revote on the very same day and strike down the proposed recommendation.

The commission reconsideration process of official business loosely resembles similar procedures in the House and Senate. Reconsideration procedures, according to documented rules for both the House and Senate, only allow for a member of the majority (someone who voted with the winning consensus) to call for the revote. However, meeting minutes have not been posted (as of January 2004), indicating whether or not a member of the majority called for the revote, although meeting minutes for previous commission meetings are available for the public to review. The public is still not aware of the exact procedures followed by the Blue Ribbon Tax Commission in its revote on the alcohol excise tax recommendation. Members of the commission include Representative Ben Lujan (D), Representative Donald Whitaker (D), and Senator Manny Aragon (D). Combined, these three legislators have received \$16,325 from the alcohol industry over the past three election cycles.

A taxpayer preference for an increase in the alcohol excise tax, if the revenue from such a tax is used as a part of an effort for treatment and prevention of alcohol abuse

and related problems, has been documented. The significant contributions from the alcohol industry to state officials and the questions surrounding the activity of the Blue Ribbon Tax Commission procedures have also been documented. Despite the wishes of New Mexican taxpayers, laws are not being passed to address the continuing problem of alcohol abuse in this state. The alcohol industry and its allies argue that an excise tax increase is an improper way to address the problem.

Traffic Fatalities, Alcohol Excise Tax Research, and Costs of an Excise Tax Increase

New Mexico continues to hold the dubious distinction of being among the states with the highest alcohol-related traffic fatalities. Alcohol-related traffic fatalities are the number of crash deaths per 100,000 people in which at least one driver had a blood alcohol content (BAC) of at least .08. As of the year 2002, only Montana, South Carolina, South Dakota, and Wyoming had higher alcohol-related traffic fatality rates.⁹ Despite the passage of local option taxing laws in Gallup in the mid-1990s, as well as the closing of drive-up liquor windows in 1999, the high rate of alcohol-related traffic deaths persists in New Mexico.

A recurring theme in New Mexico has been the issue of an alcohol excise tax increase. Voters prefer an increase under specific circumstances, and the Blue Ribbon Tax Commission voted to recommend an increase to the tax, only to reverse its recommendation. Moreover, during the short legislative session in October, the issue was frequently debated. With all of this focus on the alcohol excise tax, it is important to understand how an increase in this tax might affect the alcohol problem in New Mexico. A report released to Congress in September by the National Academies of Sciences

⁹ Ibid, the specific rankings for this measure can be viewed at <http://www.dwiresourcecenter.org>.

recommends that states increase alcohol excise taxes as a means to discourage underage drinking, as teens are some of the most price-sensitive consumers.¹⁰

Residents of New Mexico pay a state excise tax of 41 cents per gallon of beer, or 3.8 cents per beer. The excise tax on beer alone brings the state approximately \$21 million annually. If the legislature were to double the current tax on beer to 7.6 cents per beer, responsible consumers would pay a few more pennies for a beer, while the state would realize an estimated additional \$21 million in annual revenue, according to estimates from the Federation of Tax Administrators. This revenue could be used to create prevention and treatment programs (also creating jobs). Estimates suggest the excise tax increase would decrease consumption by 1.5%, which would presumably affect underage drinking.¹¹ Contrary to popular rhetoric, raising the alcohol excise tax would not overly burden responsible drinkers. In fact, the small amount responsible drinkers pay per beer would turn into an aggregate gain for the state that could address the alcohol problem in New Mexico.

Conclusion

The state of New Mexico continues to struggle with the lasting effects of alcohol abuse. With the short legislative session of 2004 already underway, and as voters prepare for an election in November, the public needs to be aware of the information contained within this report. New Mexico legislative action over the past decade aimed at addressing the alcohol problem has produced positive results. However, without further action, all indications are that alcohol-related traffic fatalities, underage drinking, DWI,

¹⁰ Institute of Medicine. National Academy of Sciences. *Reducing Underage Drinking: A Collective Responsibility*. September 2003.

¹¹ Appendix Three presents information about excise taxes on beer, as an example of the low consumer cost.

measurable economic costs, and immeasurable social costs will continue to plague the citizens of New Mexico. The alcohol industry and its allies have created an environment that is favorable to alcohol interests by lobbying and contributing to campaigns. Without a change to this pattern, the alcohol industry will continue to have a disproportionate influence on the passage of laws in the state of New Mexico.

Methodology

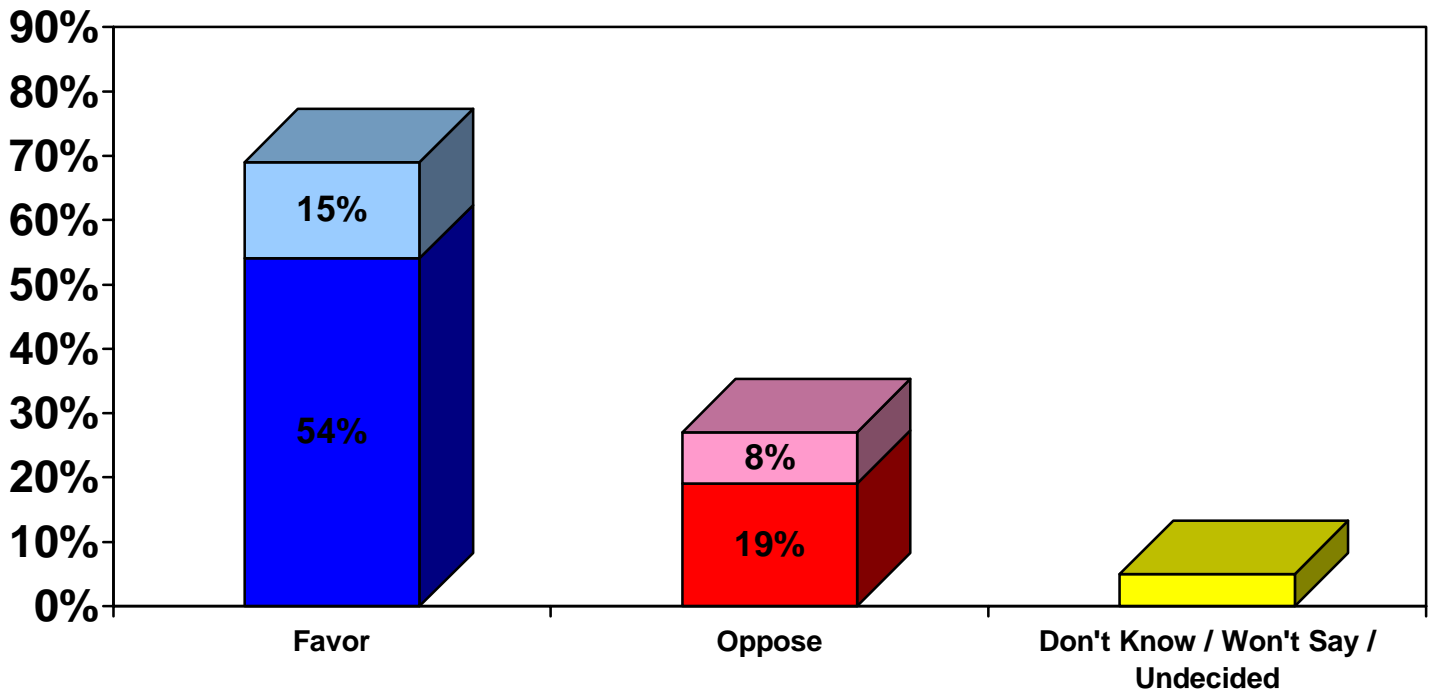
Public opinion data in Appendix One is courtesy of an August 2003 Research and Polling, Inc. survey of a sample of New Mexican voters of all geographical locations, political affiliations, and income levels. The National Institute on Money in State Politics (the website “followthemoney.org”) provided information regarding alcohol industry contributions to current office holders in the executive branch for the 2002 election cycle. The Institute’s website also provided information about current and former legislative office holders for the three election cycles 1998, 2000, and 2002. Six selected industry contributors were obtained from the same website. Finally, excise tax information about selected states was obtained from the Federation of Tax Administrators.

**APPENDIX ONE: SURVEY DATA RESULTS FROM REGISTERED
VOTERS IN THE STATE OF NEW MEXICO**

**A Strong Majority of New Mexico Voters Favor an Increase in the State
Alcohol Excise Tax on Beer**

The current state tax in New Mexico is approximately 23 cents on a standard 6-pack of beer. Would you favor or oppose an increase in the state tax on beer by 30 cents per six-pack of beer as part of an effort to reduce DWI and underage drinking in our state?

Would you strongly or somewhat (favor/oppose) that increase?



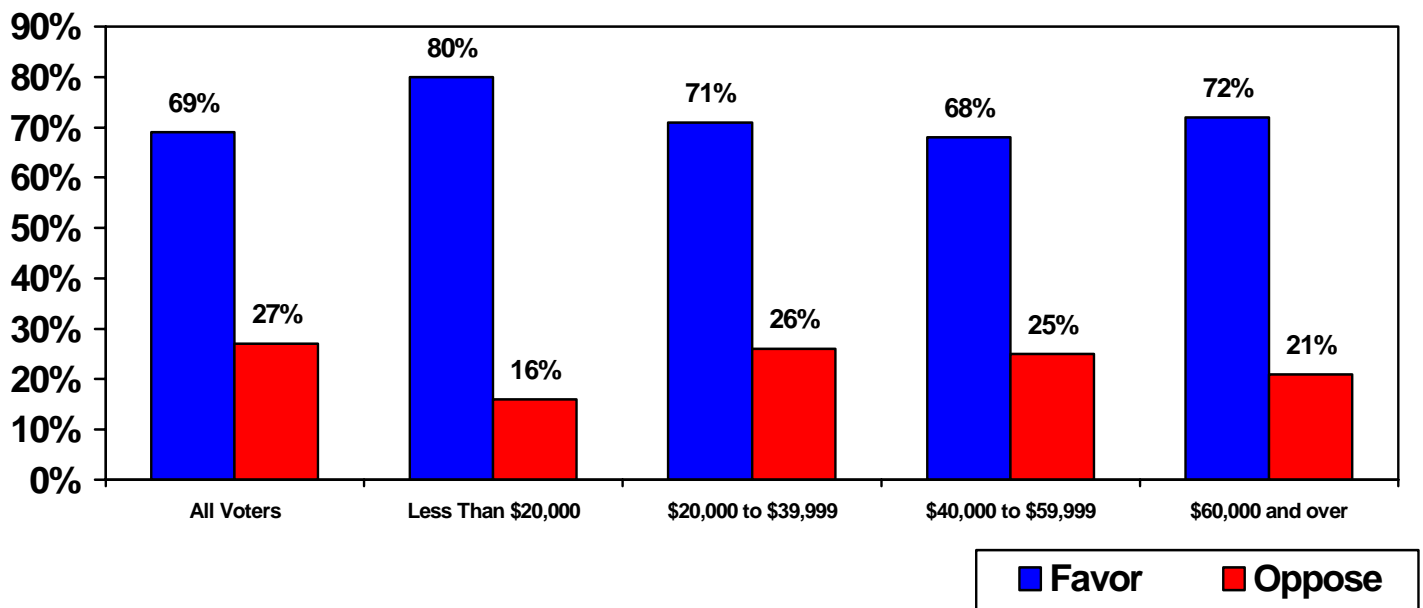
darker shading = stronger intensity

Data Source: Research and Polling, Inc.
Statewide Survey of Registered Voters in New Mexico, August, 2003
N=500; Total numbers are rounded; Margin of Error +/- 4.4%

Increasing the State Excise Tax on Beer Receives Strong Majority Support Across All Income Groups

The current state tax in New Mexico is approximately 23 cents on a standard 6-pack of beer. Would you favor or oppose an increase in the state tax on beer by 30 cents per six-pack of beer as part of an effort to reduce DWI and underage drinking in our state?

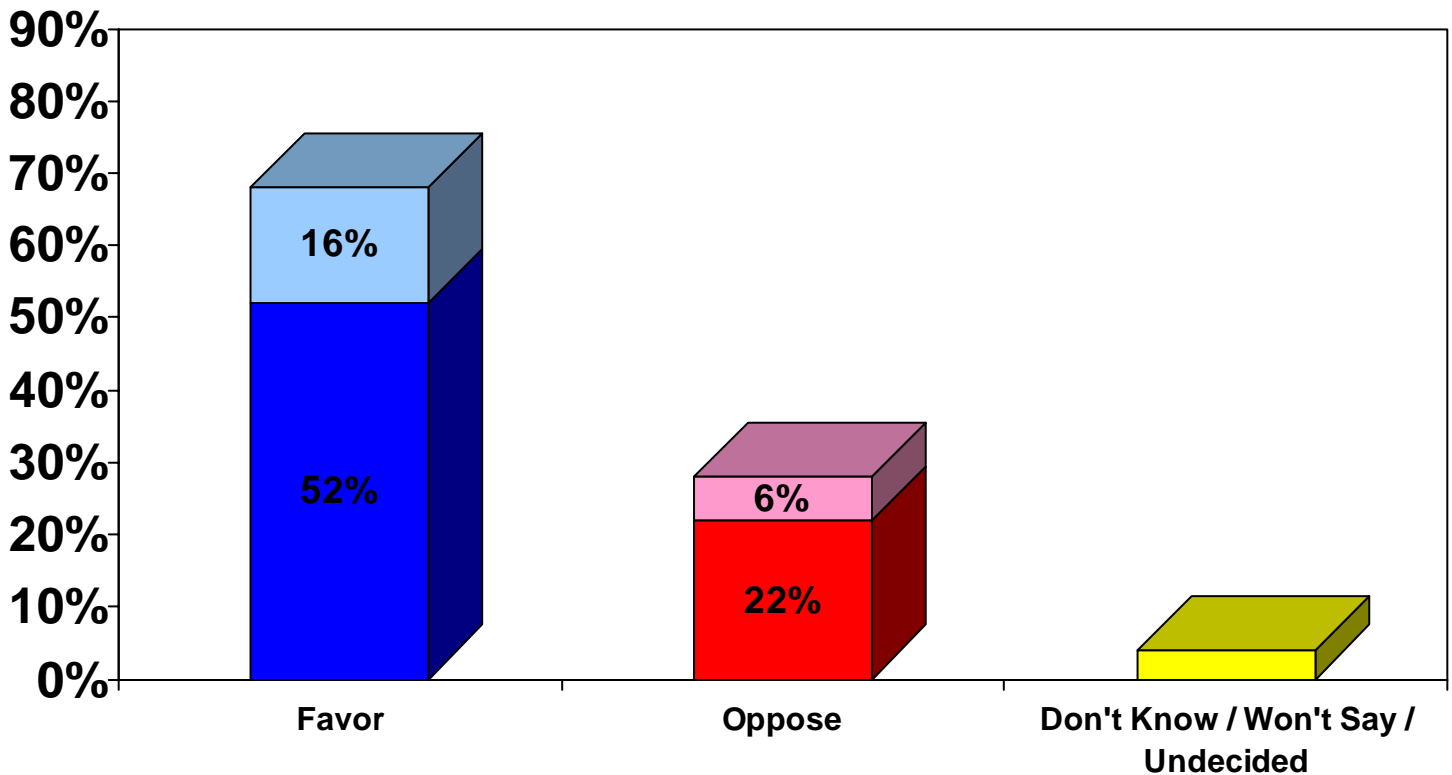
Would you strongly or somewhat (favor/oppose) that increase?



Data Source: Research and Polling, Inc.
Statewide Survey of Registered Voters in New Mexico, August, 2003
N=500; Total numbers are rounded; Margin of Error +/- 4.4%

A Strong Majority of New Mexico Voters Favor an Increase in the State Alcohol Excise Tax on Hard Liquor

The current state tax on hard liquor in New Mexico is one dollar and twenty cents for each bottle of hard liquor – commonly referred to as a “fifth.” Would you favor or oppose an increase in the state tax on hard liquor by \$1.00 per bottle as part of an effort to reduce DWI and underage drinking in our state? Would you strongly or somewhat (favor/oppose) that increase?



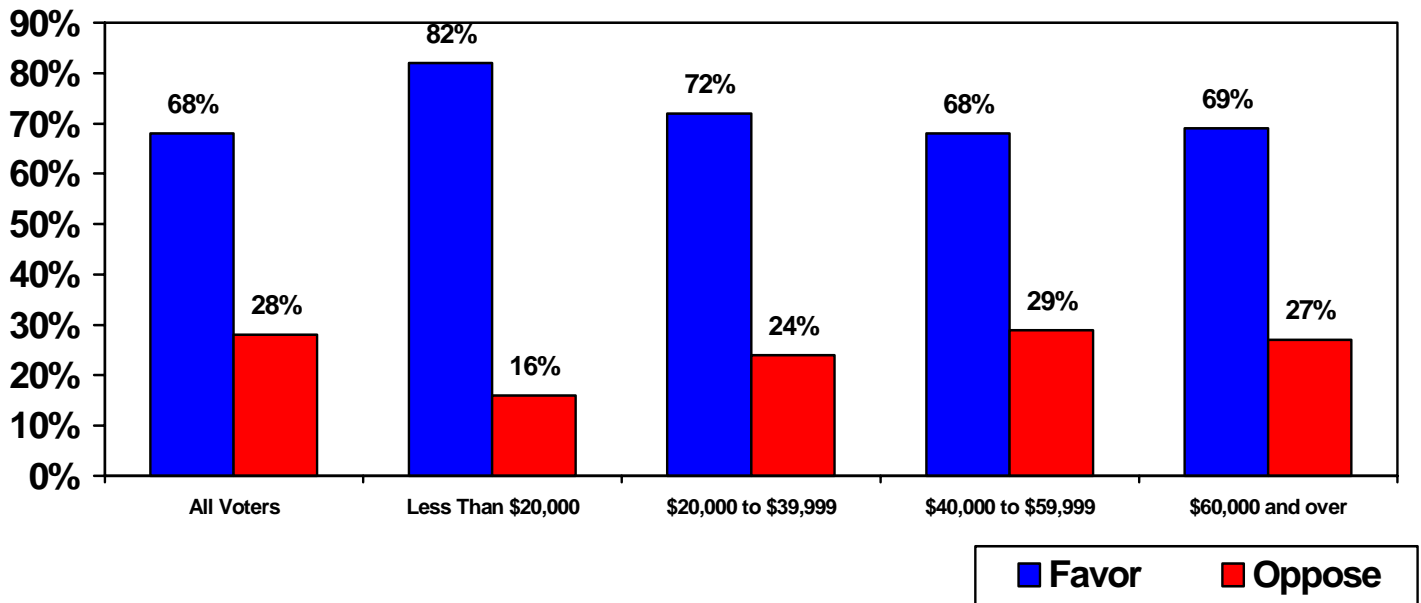
darker shading = stronger intensity

Data Source: Research and Polling, Inc.

Statewide Survey of Registered Voters in New Mexico, August, 2003
N=500; Total numbers are rounded; Margin of Error +/- 4.4%

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Data Source: Research and Polling, Inc.
Statewide Survey of Registered Voters in New Mexico, August, 2003
N=500; Total numbers are rounded; Margin of Error +/- 4.4%

**APPENDIX TWO: ALCOHOL INDUSTRY CONTRIBUTIONS TO
STATE ELECTED OFFICIALS**¹²

**TOTAL CAMPAIGN CONTRIBUTIONS FOR 1998-2002 FROM THE
ALCOHOL INDUSTRY TO
MEMBERS OF THE NEW MEXICO HOUSE**

Recipient	Party	District	Industry Contributions
Taylor, Thomas* BRTC ¹³	R	1	\$400
Cheney, Richard	R	2	\$0
Townsend, Sandra	R	3	\$1,950
Begaye, Ray	D	4	\$300
Harrison, Irvin* BRTC	D	5	\$0
Hanosh, George	D	6	\$1,000
Cordova, Kandy	D	7	\$300
Luna, Fred* CC ¹⁴	D	8	\$6,850
Lundstrom, Patricia	D	9	\$550
Saavedra, Henry	D	10	\$6,550
Miera, Rick	D	11	\$3,650
Taylor, James* HL ¹⁵	D	12	\$4,850
Silva, Daniel	D	13	\$5,550
Garcia, Miguel	D	14	\$0
Zanetti, Teresa	R	15	\$0
Ruiz, Raymond	D	16	\$550
Sandoval, Edward	D	17	\$2,400
Beam, Gail	D	18	\$2,000
Stapleton, Sheryl	D	19	\$500
Hobbs, Ted* HL	R	20	\$3,650
Stewart, Mimi	D	21	\$1,000
Godbey, Ron	R	22	\$1,350
Youngberg, Eric	R	23	\$200
Arnold-Jones, Janice* BRTC	R	24	\$0
Picraux, Danice* HL	D	25	\$2,800
Park, Al	D	26	\$0

¹² All campaign contribution data was obtained from the National Institute on Money in State Politics, as reported by the New Mexico Secretary of State's office. The data may not reflect gifts and/or contributions returned by an officeholder to a contributor.

¹³ Referring to membership on the Blue Ribbon Tax Commission, other legislators on the commission will be denoted as such.

¹⁴ Referring to Committee Chairperson of key committee overseeing alcohol bills.

¹⁵ Referring to House Leadership, other House leaders will be denoted as such.

Larranaga, Larry	R	27	\$1,300
Ogle, Rory	R	28	\$0
Recipient	Party	District	Industry Contributions
Anderson, Thomas	R	29	\$250
White, Robert	R	30	\$200
Thompson, Joe* HL	R	31	\$4,050
Irwin, Dona	D	32	\$900
Taylor, Paul J.	D	33	\$300
Garcia, Mary	D	34	\$1,100
Lujan, Antonio	D	35	\$200
Nunez, Andy	D	36	\$900
Boykin, William	R	37	\$0
Hamilton, Dianne	R	38	\$800
Herrera, Manuel	D	39	\$400
Powdrell-Culbert, Jane	R	44	\$450
Trujillo, Jim	D	45	\$0
Lujan, Ben* HL/BRTC	D	46	\$5,900
Coll, Max* CC	D	47	\$1,000
Varela, Luciano "Lucky"	D	48	\$2,750
Tripp, Don	R	49	\$100
King, Rhonda	D	50	\$1,200
Vaughn, Gloria	R	51	\$750
Cervantes, Joseph	D	52	\$1,050
Marquardt, Terry	R	53	\$1,150
Stell, Joe	D	54	\$800
Heaton, John	D	55	\$450
Williams, W. C. "Dub"	R	56	\$550
Foley, Daniel	R	57	\$1,150
Ponce, Pauline	D	58	\$300
Wilson, Avon	R	59	\$0
Swisstack, Thomas	D	60	\$300
Whitaker, Donald* BRTC/CC	D	61	\$3,350
Bratton, Donald	R	62	\$200
Campos, Jose	D	63	\$0
Crook, Anna	R	64	\$900
Madalena, James	D	65	\$200
Roberts, Earlene	R	66	\$1,250
Moore, Brian	R	67	\$0
Regensberg, Bengie	D	68	\$0
Martinez, Ken W.	D	69	\$2,000
Vigil, Richard	D	70	\$550
Total For Current House Members 1998-2002			\$91,000
Total For All Current and Former House Members 1998-2002			\$104,850

Source: National Institute on Money in State Politics

**TOTAL CAMPAIGN CONTRIBUTIONS FOR 1998-2002 FROM THE
ALCOHOL INDUSTRY TO
MEMBERS OF THE NEW MEXICO SENATE**

Recipient	Party	District	Industry Contributions
Sharer, William	R	1	\$0
Kysar, Raymond L.	R	2	\$0
Pinto, John	D	3	\$0
Rainaldi, Lidio	D	4	\$500
Martinez, Richard	D	5	\$0
Cisneros, Carlos	D	6	\$2,150
Harden, Clinton	R	7	\$0
Campos, Pete	D	8	\$250
Komadina, Steve	R	9	\$200
Gorham, Ramsay	R	10	\$0
Lopez, Linda	D	11	\$500
Romero, Richard* SL	D	12	\$1,075
Feldman, Dede	D	13	\$250
Aragon, Manny* SL ¹⁶ /BRTC	D	14	\$7,075
Snyder, H. Diane	R	15	\$300
McSorley, Cisco* BRTC	D	16	\$0
Robinson, Shannon	D	17	\$2,950
Boitano, Mark	R	18	\$0
Beffort, Sue	R	19	\$0
Payne, William	R	20	\$250
Cravens, Kent	R	21	\$0
Tsosie, Leonard	D	22	\$0
Carraro, Joseph	R	23	\$0
Rodriguez, Nancy	D	24	\$750
Maes, Roman* CC	D	25	\$2,750
Sanchez, Bernadette	D	26	\$500
Ingle, Stuart* SL	R	27	\$250
Altamirano, Ben* CC	D	28	\$2,150
Sanchez, Michael	D	29	\$1,650
Fidel, Joseph	D	30	\$0
Nava, Cynthia	D	31	\$300
Jennings, Timothy	D	32	\$500
Adair, Rod	R	33	\$0
Kidd, Don	R	34	\$0
Smith, John Arthur* BRTC	D	35	\$0
Garcia, Mary Jane* SL	D	36	\$1,200
Rawson, Leonard* SL/BRTC	R	37	\$0
Papen, Mary Kay	D	38	\$300

¹⁶ Referring to Senate Leadership, other Senate leaders will be denoted as such.

Recipient	Party	District	Tobacco Companies
Griego, Phil	D	39	\$2,550
Duran, Dianna	R	40	\$1,500
Leavell, Carroll* BRTC	R	41	\$0
Kernan, Gay	R	42	\$0
Total For Current Senate Members 1998-2002			\$29,000
Total For All Current and Former Senate Members 1998-2002			\$30,950

Source: National Institute on Money in State Politics

TOTAL CAMPAIGN CONTRIBUTIONS FOR 1998-2002 FROM THE ALCOHOL INDUSTRY TO MEMBERS OF THE NEW MEXICO SENATE AND HOUSE, BY POLITICAL PARTY

Recipient	Party	Office	Industry Contributions
Winning Democrats	D	Current House and Senate Members	\$97,400
Winning Republicans	R	Current House and Senate Members	\$22,750
Total For Current House and Senate Members 1998-2002			\$120,150
Total For All Current and Former Senate and House Members 1998-2002			\$135,800

Source: National Institute on Money in State Politics.

CONTRIBUTIONS FROM THE ALCOHOL INDUSTRY TO STATEWIDE ELECTED OFFICIALS DURING THE 2002 ELECTION CAMPAIGN

Recipient	Party	Office	Industry Contributions
Madrid, Patricia A	D	Attorney General	\$8,200
Richardson, Bill	D	Governor	\$154,617
Denish, Diane D	D	Lt. Governor	\$0
Lyons, Patrick H	R	Public Lands	\$500
Vigil, Robert E	D	Treasurer	\$325
Total For 2002 Election Campaign			\$163,642

Source: National Institute on Money in State Politics.

**CONTRIBUTIONS FOR 1998-2002 FROM SELECTED ALCOHOL
INDUSTRY CONTRIBUTORS TO MEMBERS OF THE HOUSE
AND SENATE, AS WELL AS GOVERNORS***

Contributor	1998	2000	2002	Total
Anheuser Busch Co.	\$11,900	\$16,200	\$28,000	\$56,100
Joe G. Maloof and Co.	\$16,400	\$6,850	\$33,000	\$56,250
Premier Distributing Co.	\$7,174	\$12,050	\$34,800	\$54,024
National Distributing Co. Inc. of Albuquerque		\$9,300	\$23,700	\$33,000
Southern Wine and Spirits		\$8,825	\$3,600	\$12,425
Distilled Spirits Council of the U.S./DSCUS	\$700	\$2,000	\$2,850	\$5,550
Total For All Current and Former Senate and house Members 1998-2002	\$36,174	\$55,225	\$105,150	\$217,349

*This data represents contributions from some of the larger contributors-it does not include all 1998-2002 contributions to current and former members of the House and Senate.

Source: National Institute on Money in State Politics.

**APPENDIX THREE: ALCOHOL EXCISE TAX BREAKOUTS FOR
BEER**

**CURRENT EXCISE TAXES ON BEER FOR SELECTED WESTERN
AND SOUTHERN STATES**

Current state tax rates on beer (January 1, 2003)

	Excise tax rates (\$ per gallon)	Excise tax rates (\$ per beer)	Excise tax cost per gallon if rate were doubled (per gallon and per beer)
Alabama	\$0.530	\$0.050	
Alaska	\$1.070	\$0.100	
Arizona	\$0.160	\$0.015	
Arkansas	\$0.230	\$0.022	
California	\$0.200	\$0.019	
Colorado	\$0.080	\$0.007	
Florida	\$0.480	\$0.045	
Georgia	\$0.480	\$0.045	
Hawaii	\$0.920	\$0.086	
Idaho	\$0.150	\$0.014	
Kentucky	\$0.080	\$0.007	
Louisiana	\$0.320	\$0.023	
Mississippi	\$0.430	\$0.040	
Montana	\$0.140	\$0.013	
Nevada	\$0.090	\$0.008	
<i>New Mexico</i>	<i>\$0.410</i>	<i>\$0.038</i>	<i>\$0.82 per gallon, and \$0.076 per beer</i>
North Carolina	\$0.530	\$0.050	
Oklahoma	\$0.400	\$0.037	
South Carolina	\$0.770	\$0.072	
Texas	\$0.190	\$0.018	
Utah	\$0.350	\$0.033	
U.S. Median	\$0.188	\$0.017	

If the current excise tax rate of 3.8 cents per beer were doubled to 7.6 cents per beer, projections suggest the current consumption rate in New Mexico would decrease by 1.5%. However, despite the drop in consumption rates, the state would realize and increase in profit from the excise tax on the order of \$21 million. Therefore the individual consumer would pay a few more pennies per beer, while the state would raise a large amount of money that could be used to develop more treatment and prevention programs.¹⁷

¹⁷ Current tax rates provided by the Federation of Tax Administrators. Revenues collected and volume consumed obtained from the New Mexico Taxation and Revenue Department.

