

# Anchorage Alcohol Tax Revenue: A Theory of Positive Change

## Context

In April 2020, Anchorage voters supported a bold, practical solution for addressing Anchorage's most pressing problems: a new sales tax on alcoholic beverages sold in the Municipality, with revenue dedicated as new funding toward specific issues:

1. Increasing community safety [“police, related criminal justice personnel, and first responders”];
2. Reducing and preventing child abuse, sexual assault and domestic violence; and
3. Prevention and treatment of substance misuse, mental health issues, and homelessness.

Not highlighted in the ballot measure, but relevant to all three issues, is addressing inequity in our community: how structural racism and other barriers impact some people more than others. By eliminating race-based disparities in health and well-being, Anchorage will be safer and healthier for everyone.

## Purpose of This Document

Recover Alaska, Alaska Children's Trust, and partners representing many other organizations brought together over 200 individuals and organizations to develop this theory of positive change. For alcohol tax funding to effectively address the issues above, we must address root causes and find new ways of working that engage more people, more deeply. The issues are connected and only by addressing them together will we make Anchorage safer and healthier for all.

The Assembly will decide where and how to allocate alcohol tax funds. The individuals and organizations who endorse this theory of positive change urge the Assembly, and the community, to choose this approach to achieve lasting positive outcomes.

## Vision

Improved Safety and Wellbeing for All in Anchorage

### Community-Wide Goals *(What we want to achieve)*

1. Increased citizen and neighborhood-level engagement in selecting measures and other Municipal decision-making.
2. Measurable improvement in key health, education, corrections, housing and other key measures of safety and wellbeing, and elimination of race-based disparities in same measures.
3. Measurable improvements in social determinants of health and equity.
4. Increase wealth generation and prosperity in neighborhoods with many households living in poverty.
5. Children and adults are free of the burdens created by alcohol and substance misuse.
6. Reduce rates of child maltreatment.
7. Reduce rates of sexual assault and domestic violence.
8. Reduce number of people and length of time experiencing homelessness.
9. Decrease number of people with behavioral health conditions held in jails.
10. Reduce suicide deaths of youth and adults.

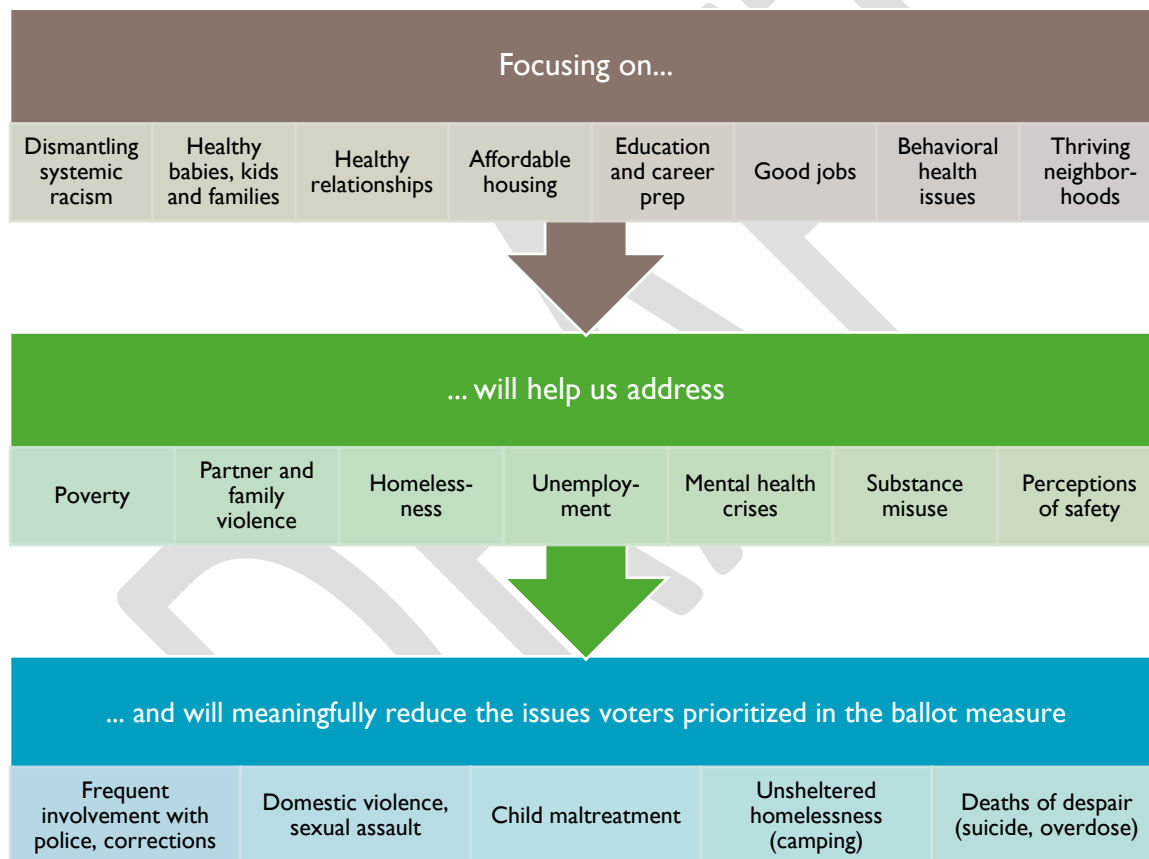
### Guiding Principles *(How we will do the work)*

1. Engage with people and communities with lived experience.
2. Address root causes and invest in long-term prevention.
3. Intervene, treat, and connect people in immediate crisis, or chronic crisis such as homelessness and addiction, to short and long-term supports that increase safety and well-being.
4. Leverage funds with other investors and funding sources to maximize impact.

5. Directly address systemic racism and colonialism, reduce race-based disparities in each of the issues prioritized for alcohol tax funding, and promote racial equity.
6. Make a broad impact on related issues; don't address them separately or in isolation.
7. Sustain investment over multiple years to fill funding gaps and support innovation.
8. Support interventions that are data-driven, evidence-informed, and/or culturally relevant with clearly defined outcomes.
9. Support interventions that are trauma-informed and healing-centered, and do not cause or perpetuate trauma.
10. Commit to transparency: monitor progress using data, and regularly report out.

### The “Why”

In the model below, we use Primary, Secondary, and Tertiary Prevention activities to get to the outcomes. Another way to understand this approach is the graphic below: by going upstream from the issues, we can effectively create long-term positive change for Anchorage.



**Get involved:** The Assembly is currently listening to a wide variety of voices about how and where the new alcohol tax revenue should be spent: committee meetings in July, public town halls in August, and final Assembly approval this fall. **We encourage everyone to show up, participate and share your priorities.**

**Work with us to share this story:** If your organization’s values, mission and the work you do (or want to do!) aligns with this vision, guiding principles and theory of change: please sign on as a supporter, and help us bring this story to the Assembly!

## DRAFT Logic Model

Resources	Activities	Outcomes	
		Short and Medium term (0-5 years)	Long term (5 years +)
<ul style="list-style-type: none"> <li>Alcohol tax revenue (beginning 2021)</li> <li>Existing public and private investments in housing/homelessness, child abuse and neglect prevention, alcohol misuse prevention</li> <li>Medicaid 1115 waiver behavioral health services</li> <li>Anchored Home plan and partnerships</li> <li>Community organizations, especially those led by Black, Indigenous and People of Color (BIPOC)</li> <li>Tribal and non-Tribal housing, physical and behavioral health, public health, social supports, family support, employment providers</li> <li>Early childhood program providers</li> <li>Faith leaders and the faith community</li> <li>Elders and aging population</li> <li>Anchorage School District</li> <li>Anchorage Health Department</li> <li>Anchorage businesses and employers</li> <li>Municipal and Tribal governments</li> <li>Peer and recovery supports</li> <li>Community members with lived experience and subject matter expertise</li> <li>All community members</li> <li>Shared lands, waters and ecosystems</li> <li>ALCANLink Project data and other local plans and studies that have identified barriers to change, key data points, and recommended strategies</li> </ul>	<b>PRIMARY PREVENTION</b>		<b>Improved Safety and Wellbeing for All</b>  <i>Measured by:</i> <ol style="list-style-type: none"> <li>Increased citizen and neighborhood-level engagement in selecting measures and other Municipal decision-making.</li> <li>Measurable improvement in key health, education, corrections, housing and other key measures of safety and wellbeing, and elimination of race-based disparities in same measures.</li> <li>Measurable improvements in social determinants of health and equity.</li> <li>Reduced poverty in all neighborhoods, with a focus on neighborhood-level disparities.</li> <li>Children and adults are free of the burdens created by alcohol and substance misuse.</li> <li>Reduce rates of child maltreatment.</li> <li>Reduce rates of sexual assault and domestic violence.</li> <li>Reduce number of people and length of time experiencing homelessness.</li> <li>Decrease number of people with behavioral health conditions held in jails.</li> <li>Reduce suicide deaths of youth and adults.</li> </ol>
	Host community dialogues about the history of racism in Anchorage and the ongoing impact of systemic racism.	Improved understanding among residents and leaders of systemic racism and its effects and specific, measurable commitments to achieve equity for all residents.	
	Increase access to and participation in cultural activities and learning opportunities.		
	Training for community members with lived experience to engage in local government processes and advocate for policy change.	Involvement of people with lived experience in municipal decision-making and policy discussions through an Advisory Council or other policy-level representation.	
	Incorporate equity measures into municipal priorities and community planning.	Regular reporting on key equity measures	
	Increase access to culturally relevant, free or affordable quality pre-K and afterschool for ages 3-5, and Early Head Start, Parents As Teachers and other home visiting programs for ages 0-2.	Increase number of children in quality pre-K and receiving early home visiting and parent support. Clear waitlist for pre-K in Title I schools.	
	Address disparities across K-12.	Increase graduation rate overall and reduce disparities between groups.	
	Education and job training, career pathways and options.	Increase number of people earning a livable wage, in jobs with advancement opportunities and ability to create wealth.	
	Support for small-business entrepreneurs in neighborhoods with many households living in poverty.		
	Increase supply of affordable housing units and rental assistance funds.	Increase supply of housing affordable for all income levels.	
	Implement prevention programs focused on highest risk factors outlined in ALCANLink Project to prevent interpersonal violence.	Strengthen protective factors within children, youth and families.	
Implement universal screenings and referral for social determinants of health.	Specific, measurable commitments to improve the social and physical environment to promote good health for all.		
Implement universal screening and consistent, supportive education about alcohol and other substance use during pregnancy.	Increase referrals to supportive services and behavioral health treatment.		

## DRAFT Logic Model

Resources	Activities	Outcomes		
		Short and Medium term (0-5 years)	Long term (5 years +)	
	<b>SECONDARY PREVENTION</b>		(see above)	
	Increase access to appropriate housing and supports for all people experiencing homelessness.	Increase number of individuals housed with appropriate supports + employment. Decrease time to get into behavioral health treatment. Increase supply of behavioral health treatment and wraparound supports.		
	Increase resources to prevent individuals & families becoming homeless			
	Increase access to appropriate behavioral health treatment			
	<b>TERTIARY PREVENTION</b>			
	Implement Behavioral Health Crisis Continuum (e.g. Crisis Now) as an alternative to police-led crisis response	Increase clinical and evidence-based response to behavioral health crisis and homelessness.  Increase number of people engaged in appropriate treatment and wraparound supports.		
Increase training in Trauma-informed care and de-escalation for law enforcement, first responders, and at hospital emergency departments.				

## Background Information

### **Language of Prop 13 (passed 4/7/2020) Related to Funding**

Excerpts of AO 2019-148(S-1) which contains the language used in Proposition 13 that voters approved:

(b) The net receipts from the alcoholic beverages retail sales tax, after payment of the costs of administration, collection and audit to the municipality<sup>[1]</sup>, are dedicated and shall be available to use only for:

- (1) Funding for police, related criminal justice personnel, and first responders;
- (2) Funding to combat and address child abuse, sexual assault, and domestic violence; and
- (3) Funding for substance misuse treatment, prevention programs, detoxification or long term addiction recovery facilities, mental and behavioral health programs, and resources to prevent and address Anchorage's homelessness crisis.

(d) At least 120 days before the end of the fiscal year of the municipality and at such other times as the assembly directs, the mayor shall submit to the assembly a report of the tax revenues collected and expended. The report of expenses shall be itemized by each authorized use or purpose and presented to the public.

(e) The net receipts described in subsection (b) shall not be used to supplant funding for existing service levels contained in the actual operating budget for fiscal year 2020 and the funding to provide for and maintain that level of service in subsequent years. The dedicated net receipts shall only be used to provide additional service levels above the 2020 baseline.

(Section 3, Charter amendment) If the proposition is approved by the voters, the administration shall account for the revenues and expenditures of the tax proceeds by separate fund or account.

[1] Note: administration costs are estimated to be approximately \$175,000 per year after initial setup of Muni systems and processes, most of which will take place in 2020 before revenue is collected; includes two staff positions within Treasury to administer this tax.

### **Recent, Relevant Example: Broward County, Florida, RWJF Culture of Health Prize Winner**

Description from 2019 award ([RWJF press release 11-2019](#))

**Broward County, Florida:** Known as “Collaboration County,” Broward County, Florida—comprised of 31 municipalities—weaves diverse partnerships into their journey toward better health. The commitment to racial equity trainings by health and social service agencies creates a common language around institutional and systemic racism, while school-based equity liaisons ensure students have an opportunity to succeed. Recent voter-approved initiatives expand affordable housing and guarantee \$350 million annually for 30 years to improve transportation. Historically excluded populations participate in decision-making thorough initiatives such as the Race Equity in Child Welfare Taskforce and Healthy Community Zones. Through large scale health and economic programs such as Test and Treat for HIV, School Based Dental Sealant, Step Up, and Broward UP, Broward County is addressing the social determinants of health to enable residents to live their healthiest lives.

Full feature story:

<https://www.rwjf.org/en/library/features/culture-of-health-prize/2019-winner-broward-county-florida.html>