

HOUSE COMMITTEE ON STATE AND FEDERAL AFFAIRS

May 24, 1991 Hearing Room E 8:00 a.m. Tapes 148 - 149
MEMBERS PRESENT: Rep. Bill Markham, Chair Rep. Larry Sowa, Vice-Chair
Rep. Marie Bell Rep. Mary Alice Ford Rep. Tom Novick Rep.
Carolyn Oakley Rep. Lonnie Roberts MEMBER EXCUSED: None VISITING
MEMBER: Sen. Jeannette Hamby, District Rep. Kelly Clark, District 27
STAFF PRESENT: Randall Jones, Committee Administrator Carolyn Cobb,
Committee Assistant MEASURES CONSIDERED: SB 502 - Requires Retail
Premises Holding Valid Liquor Licenses to Post Signs Informing Public of
Effects of Alcohol on Pregnant Women, PH

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TAPE 148, SIDE A

003 CHAIR MARKHAM: Calls the meeting to order at 8:09 a.m.

SB 502 - REQUIRES RETAIL PREMISES HOLDING VALID LIQUOR LICENSES TO POST SIGNS INFORMING PUBLIC OF EFFECTS OF ALCOHOL ON PREGNANT WOMEN - PUBLIC HEARING Witnesses: Jeannette Hamby, State Senator, District 5 Kelly Clark, State Representative, District 27 Kathleen Ames, March of Dimes Linda Anderson, Junior League of Eugene Joanne DeHoff, March of Dimes Joe Gilliam, National Federation of Independent Business Beth Heinrich, Junior League of Portland House Committee on State and Federal Affairs
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Art Keil, Executive Assistant, Health Division, Department of Human Resources Laura Kniley, Student Jeffrey Kushner, Director, State Alcohol and Drug Abuse Program James K. Lacey M. D., Oregon Pediatric Society Steve Lanning, Oregon AFL-CIO Tony Lynde, Emerald Chapter, March of Dimes Mike McCallum, Oregon Restaurant Association Jack Munro, Association of Oregon Food Industries Bill Nelson, Oregon Wine Growers Association Paul Romain, Oregon Beer and Wine Distributors Association Judy Varner, President, Women's Commission on Drug and Alcohol Abuse Issues in Oregon Kathryn Weit, Association for Retarded Citizens of Multnomah County

009 JEANNETTE HAMBY, STATE SENATOR, DISTRICT 5: Reserves her testimony for later in the hearing.

016 JAMES K. LACE M. D., OREGON PEDIATRIC SOCIETY: Submits and summarizes written testimony (EXHIBIT A) in support of the measure.

076 REP. ROBERTS: We are deluging the media with this message. If that isn't getting it across, do you really believe posting signs is going to have any more impact?

081 LACE: It may have a small impact, maybe five or ten percent of women will drink less. It is a slow process for public education. We have people who do not have access to prenatal care and are not getting the message. We have to figure out a way of reaching these women.

092 REP. ROBERTS: Were many of these women who are abusing the fetus, abused themselves in that way by their mothers? 094 LACE: Yes, many of them were. It is a cyclical thing recurring generation after

generation. 105 VICE CHAIR SOWA: Is cigarette smoking harmful to the fetus, and is fetal alcohol syndrome aggravated by smoking? 107 LACE: The effects of smoking on the developing fetus is another known problem. Describes some of the effects of smoking on the fetus. -Not aware of a study of the effects of smoking plus alcohol on the developing fetus. 116 VICE CHAIR SOWA: The reason I asked is I noticed a lot of people who have quit smoking return to it when they stop drinking. Is there any evidence available to tell us if there is damage before conception due to alcohol consumption by either the mother or the father? 124 LACE: I'd have to look that up. 130 CHAIR MARKHAM: If the father of the child is an alcoholic do you get the same problem?

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131 LACE: The tendency toward alcoholism can be transferred. The mother herself has to be drinking for the fetal alcohol syndrome to appear. 137 CHAIR MARKHAM: If a pregnant woman is drinking for the first two months and then realizes she is pregnant, the sooner she quits the better? 140 LACE: Absolutely. The problem is compounded the longer she continues to drink. 143 CHAIR MARKHAM: There is not enough research in this area? 146 LACE: There has been a lot of research on fetal alcohol syndrome. 149 SEN. HAMBY: There was an effort on the senate side to amend it to speak to both men and women. The important part of this bill is the notion of drinking over the nine month span. That is when the damage occurs. We are all aware the federal government has been very slow to research women's problems. 167 KELLY CLARK, STATE REPRESENTATIVE, DISTRICT 27: Much of the testimony we received in the Family Justice subcommittee concerning drug affected babies is probably relevant to SB 502. -Although this bill may not solve the problem, it is not going to hurt, and it will be a helpful element in the education of women about drinking when they are pregnant. 181 REP. ROBERTS: Are there any other states that are using this method? 183 REP. CLARK: I think the answer is yes, but I do not know. -We kept hearing treatment and education are the answer for women who abuse drugs and alcohol. This bill helps address the education issue. -The signs may bring about peer pressure not to drink. -Urges support of the bill. 220 REP. BELL: We can't do everything, but if any of you heard the description or had an affected baby in your home, I do not think anyone in the room would not do everything you could do to prevent one baby from being learning disabled. Maybe as a state we cannot solve the whole problem, but if we could keep one baby from being learning disabled, isn't it worth it. 232 REP. CLARK: I agree with you. Nothing was as gut wrenching in our committee hearings as the descriptions of babies born drug affected and affected by alcohol. 240 REP. FORD: In Human Resources Committee we have been working on similar issues, and especially the increasing needs for Children's Services Division and our Mental Health Division. -There is not necessarily access to medical care for all these pregnant women, so education cannot just be from a doctor. 263 SEN. HAMBY: The bill has been amended to meet the concerns of the opposition. Submits proposed dash four LC amendments dated 5/10/91 to SB 502 (EXHIBIT B) -Submits and summaries written testimony (EXHIBIT C) in support of the measure.

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291 REP. FORD: Here is the most populous state (California) in the country who has enacted this by the initiative process. 300 SEN. HAMBY: Resumes written testimony. 349 REP. ROBERTS: On line 11 of the bill, why was liquor not included in there? It has been suggested specific alcoholic beverages should not be identified. 363 SEN. HAMBY: It says drinking alcoholic beverages. The rationale for including wine and wine coolers and beer was that there is a belief throughout society that there is a little less alcohol in those, so it might be okay to drink those if you stay away from hard liquor. That is not true. 377 REP. ROBERTS: The problem is some people think wine, wine coolers and beer are being singled out. 385 SEN. HAMBY: The bill uses the generic term "alcoholic" to cover all such beverages. 391 JOANNE DEHOFF, MARCH OF DIMES: I think our rationale was that liquor is a given. When people think of alcoholic beverages, they think of hard liquor. Wine, wine coolers and beer are not generally thought of as hard liquor. 404 REP. ROBERTS: I had no idea with all the coverage in the media there are that many people who do not know. What you are trying to do is shock them back to reality, is that correct? 406 DEHOFF: We are trying to educate people and keep reinforcing a positive message that they need to see over and over again. 408 REP. ROBERTS: I have no problem with what you are saying, I would just rather have liquor put in the bill, so it goes the whole gamut and there are no questions.

TAPE 149, SIDE A

005 SEN. HAMBY: I do not know what studies would show, but I am confident that most people are aware that alcoholic beverages are hard liquor. There has been criticism nationally of wine coolers that are pitched to our youth, indicating that it is okay. The reality is there is still alcohol in a wine cooler. -Resumes written testimony.

035 TONY LYNDE, EMERALD CHAPTER, MARCH OF DIMES: Submits and summarizes written testimony (EXHIBIT D) in support of the measure. -Fetal alcohol syndrome is the largest single birth defect in the United State today.

070 REP. ROBERTS: Is that greater than the drug effect?

072 LYNDE: I will exclude drug effect from that.

077 REP. BELL: The crossover is so great, you probably could not tell because drug affected babies probably also have some alcohol effects.

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083 REP. ROBERTS: The two are closely related, although I think the alcohol related may not be quite as bad as the drug related.

087 LYNDE: The figures I have indicate the lifetime loss to society is around \$400,000 for a fetal alcohol syndrome baby. That is initial cost of birth, care through the teenage years, plus the loss of earning power through its lifetime. -Asks the committee to take positive action on the bill. 103KATHLEEN AMES, LEWIS AND CLARK CHAPTER, MARCH OF DIMES: SB 502 is a cost effective and positive way to help insure the birth of healthy babies. -It is the intent of the bill to educate pregnant women and their families. Often it is the family who urges the

person into alcohol treatment. -No safe level of alcohol consumption for pregnant women has been established. -The signs gives new information to many and reinforces the message for others. 132 BETH HEINRICH, JUNIOR LEAGUE OF PORTLAND LINDA ANDERSON, JUNIOR LEAGUE OF EUGENE: Submit and summarize written testimony (EXHIBIT E) in support of the measure. 193 JUDY VARNER, PRESIDENT, WOMEN'S COMMISSION ON DRUG AND ALCOHOL ISSUES IN OREGON: Submits and summarizes written testimony (EXHIBIT F) in support of the measure. 229 CHAIR MARKHAM: If a women is pregnant, isn't the first place she goes, to a doctor or public health agency, and isn't that where these signs should be placed? 235 VARNER: Not all women get help until later on in their pregnancy. 240 CHAIR MARKHAM: That is too late in your viewpoint. 241 VWR: Yes, if they have been drinking for several months before. 248 REP. FORD: The only concern I have is, if a pregnant women goes out with her huSB and to a bar or tavern, even if she only has ginger ale, are the other patrons going to look at her and question her behavior? 264 VARMER: I have heard that concern, but research says not much of that is happening. -It also reduces businesses liabilities because they have informed the public. 273 REP. FORD: You think because the signs are in these establishments, the young women will think everyone will know they are drinking ginger ale? 278VARNER: I do not believe people point fingers at people drinking unless they are drunk. It could happen, but I believe women are strong enough to manage to take care of themselves. 286 JEFFREY KUSHNER, DIRECTOR, STATE ALCOHOL AND DRUG ABUSE PROGRAMS: Submits and summarizes written testimony (EXHIBIT G) in support of the measure.

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341 REP. BELL: As an individual who never drinks, when I go into a lounge with my friends, its has never been a problem. 354 REP. FORD: But there has never been a sign there before. 358 KUSHNER: What we find in most of the restaurants and lounges is a growing number of alternatives that do not include alcohol. 367 RANDALL JONES, COMMITTEE ADMINISTRATOR: For the record would you explain your addendum. 369 KUSHMER: What I have included as an addendum item is a survey of about a third of the state regarding warning signs.

384 REP. ROBERTS: What is the longest running program of this type in the United States?

385 KUSHNER: I do not know.

386 REP. ROBERTS: A certain number of years are needed to pick up a trend. I do not think you know how effective it is for five to seven years.

396 KUSHNER: What people see when they look at the media is a continuous barrage of encouragement to drink alcoholic beverages for a variety of reasons that have very little to do with the results of drinking alcoholic beverages. -The industry spends more money on alcohol advertising today than they ever have, and they have advertised for decades. So there must be some advantage to continuing to reinforce a message.

414 REP. ROBERTS: I am not talking about paid advertisements by

vendors, I am talking about educational programs and articles and statistics.

419 KUSHNER: We continue to have new people who need this kind of education. One of the big problems in the State of Oregon is pregnant teenagers. We continually have a new group that needs this education.

TAPE 148, SIDE B

020 KATHRYN WEIT, ASSOCIATION OF RETARDED CITIZENS: Submits and summarizes written testimony (EXHIBIT H) in support of SB 502.

056 REP. FORD: This is one of the few things we can do in the realm of prevention, everything else costs money that we do not have.

063 STEVE LANNING, OREGON ALF-CIO: Submits written testimony (EXHIBIT I) of Amy Klare, Research and Education Director. 082 ART KEIL, EXECUTIVE ASSISTANT, HEALTH DIVISION, DEPARTMENT OF HUMAN RESOURCES: Submits and summarizes written testimony (EXHIBIT J) in support

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of the measure.

106 JONES: Submits written testimony of Richard Johnston, M. D., Chair, Legislative Committee, Oregon Medical Association (EXHIBIT K).

118 LAURA KNILEY, STUDENT: SB 502 will provide the means for awareness to a pregnant woman of the severity of mixing alcohol with pregnancy. -Describes problems experienced by women who drink. -We are to blame along with the pregnant women, if we do not educate.

180 JOE GILLIAM, NATIONAL FEDERATION OF INDEPENDENT BUSINESS: Our opposition to this bill centers upon its practical application. -This bill puts the onus on small business owners to convey the message of the groups who favor - the bill.

197 REP. FORD: You are saying if you don't know about the sign requirement and they catch you, they would fine you?

199 GILLIAM: There is a provision for a warning in the bill.

200 REP. FORD: If these are going to be distributed through the Oregon Liquor Control Commission (OLCC), anybody who has a license is going to know about the sign requirement.

203 GILLIAM: We have these signs available to the public already. What has not been done in any of the efforts to get these signs out to educate on this issue is, no one has said would you voluntarily post signs to help us with our message. -Describes multitude of signs businesses already must post. -Another sign added to the ones already displayed is not going to be effective, it just puts more burden and potential fine on small business.

257 REP. ROBERTS: Are you more concerned about having the responsibility of putting up the sign, or the fine?

260 GILLIAM: Both. They could put another sign up, but if it is not in the right spot, there is another fine.

265 REP. ROBERTS: You have two signs here, are they already in the stores?

273 GILLIAM: In some stores. It is required of liquor stores by the OLCC. It is not required of the stores, but they are available to the stores. If the proponents of the bill would like to work with us on a voluntary basis, we would be happy to do that, if they want to get the message out.

280 REP. FORD: That means you really do not object to having the signs.

282 GILLIAM: This bill does not require the signs at other appropriate locations such as doctors' offices, public health offices or schools. It does not do any of that, yet it says you are going to do it or you have to pay a fine. I think a voluntary basis is a far better approach if you want to get the message out. - These rrunute' contain tnatetialc which pataphtase and/Of cut~rize natetnents tnade duting this sesaion. Only text enclosed in quotation narks report a speaker's exact wotds. For cotnplete contents of the proceedi Igs, please tefet to the tapes. House Committee on State and Federal Affair~ May 24, 1991- Pyle 8

291 REP. NOVICK: Probably the majority of the signs you have there are signs you have to post for your employees. Generally those are not posted out in the front of the store, and I do not see those as a fair comparison to the one required by the bill. -If you sell alcohol, you are required to do certain things, and I see this as just an additional requirement. -Alcohol tends to be a fairly high profit item, so I do not see it as a huge imposition to say if you want to sell it, you must have the sign up. 309GILLIAM The point of having the labor signs here is that whether they go out front or not, the employer is responsible for posting the signs some place in the business. 326 MIKE MC CALLUM, OREGON RESTAURANT ASSOCIATION: All the signs we have displayed are based on the laws that have been passed that say you have to do whatever the issue is. That is a big difference from the issue we are dealing with here today. It is not against the law to sell alcohol to a pregnant woman. I see that as a major difference. -Submits and summarizes written testimony (EXHIBIT L) in opposition to the bill 356 REP. ROBERTS: It might be to your industry's advantage to make a statement as to your feelings about pregnant women drinking. I'm sure your industry does not support that. 363 MC CALLUM: We certainly do not support women drinking when they are pregnant. Our opposition is no way connected to a profit motive. -Resumes written testimony. 396 REP. NOVICK: Based on the fact 92% of women already know, why do you think congress did not find that very compelling in requiring warning labels on alcoholic beverages? 406 MC CALLUM: I would not argue that has been an effective part of the awareness campaign. We do not feel we should be compelled to post educational signs for whatever issue might be hot at a particular time. It seems there are a lot of other areas that women frequent more often than restaurants, bars and taverns. Wouldn't some of those be targeted much more effectively? We do think health care professionals are providing this information and the word is out. -Resumes written testimony.

TAPE 149, SIDE B

037 REP. BELL: This has to be one of the low points of this session.

You are selling things that damage little babies. They do not have a choice whether they drink or not. -This is not a big financial difficulty, and I would like to see you drop your opposition to this bill.

067 PAUL ROMAIN, OREGON BEER AND WINE DISTRIBUTORS ASSOCIATION: We did not even testify yet. My testimony is not in total opposition to the bill. We are trying to come up with solutions for people who are abusing the product without hurting the people who are not. -We are trying to teach children, if they chose to consume when they are adults, how to do it. -We look for ways to educate. You are never going to solve the drug and alcohol abuse problem totally. -This bill tends to portray alcoholic beverages with illegal drugs.

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-Are these signs really going to be effective? -We probably would not have as much problem with this if it said there is no liability if you do not have the sign displayed.

141 REP. BELL: If that amendment was adopted, would you endorse this bill?

143 ROMAIN: I would have to confer with my people. I do not know if we would endorse it, but we would probably drop our opposition. -I have been a supporter of warning labels because it absolves the beer and wine producer of the liability. -With the liability problem taken care of, I would go back to my clients and find where they would stand on it. -We are looking for effective ways, even if they cost some money, to solve the problem.

179 JACK MUNRO, OREGON FOOD INDUSTRIES: The industry I represent is one that is sensitive to the problems of alcohol and its use and misuse. -There are a number of signs and warnings we are required to bring to people. -If you conclude this is something that has to be done and will be required, we have some changes we would recommend. The bill sets up requirements for the size of the sign and placement of the sign. -Describes items that must already be kept at or near the checkout stands. -The statutory direction on size is not compatible with the required location in the store. -The more effective placement might be on the case or in the area where the product is located.

290 REP. NOVICK: I think the proposed dash four LC amendments try to do that.

295 MUNRO: I think the amendments move in a direction that would be more acceptable, and more realistic in light of the operating conditions that exist in stores.

310 BILL NELSON, OREGON WINE GROWERS ASSOCIATION: I was astounded by the degree of the problem, the frequency of the problem, and the possibilities for linkage to the product and doing something about that. -I think the federal warning label that has only been around for a couple of years has done a lot toward understanding of the linkage. -The amendments help a great deal with the technical implementation problems. -My concern with this approach is one of efficacy.

356 REP. FORD: A pregnant women who goes into a store and may be tempted, but sees that sign, there will be a lot of fear there.

363 NELSON: What is the credibility of the message? Would it be better as public policy to direct the message to the heavy drinkers? -Suggests getting some technical advice. -This measure is drawn too broadly and will not be as effective as a clear statement directed to the population that is most at risk. 409REP. BELL: I would challenge you to think about that and bring some legislation next session that would be a positive step forward. We would have been glad to have more options to work

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with.

420 REP. NOVICK: In the long run, we are having the OLCC or private people pay for it, it is not going to cost you anything. If we find out in two years that it is not effective, maybe we can try to do something of a stronger nature.

425 SEN. HAMBY: Asks for time at another meeting to make closing arguments. -There is only one sign today mandated by OLCC to appear at point of sale of any liquor, which says "No minors permitted on these premises". The other signs presented here do not deal with liquor and the OLCC. -Submits letter from Speaker Campbell (EXHIBIT M) supporting the bill.

Submitted by:

Reviewed by:

Carolyn Cobb
Administrator

Randall Jones Assistant

EXHIBIT LOG:

A - Testimony on SB 502 - James K. Lacey M. D. - 1 page B - Amendments to SB 502 - Sen. Jeannette Hamby - 4 pages C - Testimony on SB 502 - Sen. Jeannette Hamby - 12 pages D - Testimony on SB 502 - Tony Lynde - 2 pages E - Testimony on SB 502 - Linda Anderson - 2 pages F - Testimony on SB 502 - Judith Varner - 2 pages G - Testimony on SB 502 - Jeffrey Kushner - 9 pages H - Testimony on SB 502 - Kathryn Weit - 1 page I - Testimony on SB 502 - Steve Lanning - 2 pages J - Testimony on SB 502 - Art Keil - 1 page K - Testimony on SB 502 - Randall Jones - 1 page L - Testimony on SB 502 - Mike McCallum - 2 pages M - Testimony on SB 502 - Sen. Jeannette Hamby - 1 page

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