

Special Audio Report Transcript

Headline: California Cities Gear Up To Vote on Ballot Initiatives To Tax Sugar-Sweetened Beverages

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Two California cities are going up against the U.S. beverage industry in an effort to pass local soda tax measures.

This is a special report for *California Healthline*, a daily news service of the California HealthCare Foundation. I'm Deirdre Kennedy.

Richmond, in the San Francisco Bay Area, and El Monte, near Los Angeles, are asking voters to approve a penny per ounce tax on sugary drinks. The ballot measures would raise funds for public services as well as programs to curb obesity.

A study by the California Center for Public Health Advocacy found that 38% of the state's children are obese. In Richmond and El Monte, those rates top 50%. The study has prompted a number of medical groups, including the American Academy of Pediatrics and the California Academy of Family Physicians to support soda taxes.

Retired cardiologist Jeff Ritterman is the city council member behind the Richmond measure.

Ritterman: "What the public health literature is telling us is that this obesity epidemic is caused in large part from excess sugar and the major culprit is sugar-sweetened beverages, and we're also told that the very best way to reverse this is a sugar-sweetened beverage tax."

Unlike taxes added at the cash register, the new tariff would be included in annual license fees for businesses that sell sugary drinks.

The Community Coalition Against Beverage Taxes says the measure would hurt local business and raise the cost of living. The group is funded largely by the American Beverage Association, which has already spent more than \$300,000 to defeat the Richmond ballot initiative. Coalition spokesperson Chuck Finnie says the measure is a misguided policy based on faulty science.

Finnie: "The facts of the matter are this. The data show that obesity in this country is going up. The data also show that consumption of sugar-sweetened soda is going down in this country. Those numbers

come from the CDC. Ninety-three percent of the sugar in the diets of Americans comes from other sources besides soda."

But advocates of the measure say lowering sugar consumption is just one of the benefits for local communities.

The Yale Rudd Center provides a chart that calculates how much city revenue soda taxes would generate. For example, a penny per ounce tax on soda in San Francisco would raise nearly \$22 million annually.

Ritterman estimates that Richmond's soda tax could fund new sports and nutrition programs for nearly all of the city's elementary schools.

Ritterman: "For \$86,000, we can teach every third-grade child in Richmond how to swim. For \$800,000 we put a teacher in our schools who can teach nutrition and gardening."

The American Beverage Association has called soda tax measures a "money grab" used by municipalities that are short on cash. The organization is funding a lawsuit that El Monte planning commissioner Art Barrios filed against the city council. Barrios says the measure might mislead voters into thinking the revenues would fund healthy lifestyle programs, when it actually allows the city to spend the funds on fire, police and other city services.

Barrios: "If it were for obesity, then they would be putting all of the money towards parks and recs to get all of our children out into the parks and play, exercise, do the things they need to do to stop obesity. The money is going strictly into the general fund and they will spend it wherever they want to spend it."

El Monte's mayor Andre Quintero says he decided to make the ballot initiative a general fund measure so it only needs a simple majority to pass. He says the tax will be used in part to make up a \$10 million budget shortfall. He added that voters can check a special box to earmark the funds for health and fitness programs.

If the measures pass, they will be the first sugar-sweetened beverage taxes to be enacted in the U.S. The beverage industry has already spent millions of dollars to defeat soda taxes in other cities and states.

Quintero says Richmond and El Monte might seem small, but they are a key battleground for the beverage industry.

Quintero: "What they don't want to happen is that every single little city in California adopts a similar measure, because then it will have a cumulative effect. That's why they're so vociferously opposed to these measures at the local level."

This has been a special report for *California Healthline*, a daily news service of the California HealthCare Foundation. If you have feedback or other issues you'd like to have addressed, please email us at CHL@CHCF.org. I'm Deirdre Kennedy, thanks for listening.