

A CALIFORNIA SUGAR-SWEETENED BEVERAGE TAX

WHAT COULD IT MEAN FOR YOUR COMMUNITY?

A 2-cent per ounce sugar-sweetened beverage (SSB) tax is a win-win policy. It would raise significant revenue and, if invested in prevention programs, keep Californians healthy, reduce diabetes and obesity, lower our state's long-term health care costs, and improve Californians' quality of life.

A SIMPLE, EFFECTIVE POLICY



Taxes on unhealthy sodas, sports drinks, juice drinks, and sweetened teas are widely supported by voters in California and have passed at the ballot box in **Berkeley, Oakland, San Francisco and Albany**. Additionally, Philadelphia, Seattle, Boulder, and 42 nations—representing more than 2 billion people—have also adopted SSB taxes.



The most recent proposal for California would levy a **2-cent per ounce tax** on sugar-sweetened beverages sold statewide. If approved by voters or legislators, this small investment would **raise an estimated \$1.7 billion¹** in its first year. If passed by the Legislature, \$700 million of those dollars would go to education.²



Numerous studies have proven the effectiveness of an SSB tax, which is estimated to yield a decline in consumption equal to ten gallons each year per capita.³ Research in Berkeley found a 10 to 21 percent decline in consumption in its first year,⁴ and 44 percent by the third year.⁵ In Philadelphia—under a higher tax rate—**sales of taxed drinks fell by 27 to 51 percent**.⁶ Both cities saw a corresponding **16⁷ to 63⁸ percent increase in water consumption**. Overall beverage sales did not decline, water sales went up, and employment in the food and beverage sector stayed strong.⁹



If the 2-cent sugar-sweetened beverage tax was implemented across California, it would **reduce health care costs by at least \$5 billion over ten years**.¹⁰

DELIVERING POSITIVE COMMUNITY IMPACT

Pairing the positive health effects of reducing consumption with a significant reinvestment of revenue in health promotion, disease prevention and health equity would magnify the benefits of a sugar-sweetened beverage tax, helping to grow the economy, create new community infrastructure, strengthen our schools, and improve our quality of life.

At \$1.7 billion¹¹ in annual revenue, an SSB tax would offer countless opportunities to invest in community health. Here are just two possible scenarios representing roughly what could be accomplished in the first year:

1) RAISING HEALTHY CHILDREN

- ✓ Remove lead water service lines¹² and install new water fountains in all 10,473 public schools;¹³
- ✓ Provide salad bars for every cafeteria;¹⁴
- ✓ Build playgrounds¹⁵ or install gym equipment on every campus;¹⁶ and
- ✓ Hire a professional school nurse for every school.¹⁷



2) BUILDING HEALTHY COMMUNITIES

- ✓ Construct 4,000 miles of bike paths and walking trails across California;¹⁸
- ✓ Build 100 senior centers statewide;¹⁹
- ✓ Provide Meals on Wheels for 200,000 older and disabled adults;²⁰ and
- ✓ Create 100 community parks in low-income communities.²¹



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