May 13, 2010

In Support of the Healthy Schools Revenue Act of 2010

Dear Councilmember:

By now you have probably heard a great deal from the soda industry about why a soft drink tax in Washington, D.C. would be a bad idea. As the Executive Director of the Center for Science in the Public Interest (CSPI), a nonprofit health-advocacy organization based in Washington, D.C., I would like to tell you why a soft drink tax to finance the Healthy Schools Act makes a great deal of sense.

The Healthy Schools Revenue Act, sponsored by Councilmember Cheh, would provide $6.5 million a year to fund the Healthy Schools Act. Together, those two Acts would improve school nutrition, provide free breakfast in all schools, eliminate the reduced-price copayment for lunch, and triple the amount of physical and health education. In addition, another $6 million would be raised for healthy food access, faith-based anti-obesity programs, and programs to improve the diets and wellness of the elderly in the District.

In Washington, D.C., 55% of adults and 35% of children are either overweight or obese. A 2005 Centers for Disease Control (CDC) study estimated that approximately 112,000 deaths are associated with obesity each year in the United States, making obesity the second-leading contributor to premature death.\(^1\) That death toll is equivalent to a jetliner filled of 300 people crashing every day.

While many factors promote weight gain, the science is quite clear. Soft drinks are the only food or beverage that has been shown to increase the risk of overweight and obesity, which in turn substantially elevates the risk of diabetes, stroke, heart disease, and many other debilitating and costly health problems.

Soft drinks are nutritionally worthless, but add a boatload of calories to the diet. Several scientific studies have shown that soft drinks are directly related to weight gain, partly because many people consume such huge volumes of soft drinks, and partly because beverages are more conducive to weight gain than solid foods.\(^2,3,4\) According to one study, for each additional sugared drink consumed per day, the likelihood of a child becoming obese increases by 60%.\(^5\)

Americans spend roughly $150 billion a year on medical expenses related to obesity, of which about half is paid with Medicare and Medicaid dollars.\(^6\) In Washington, D.C., the medical costs of obesity alone are $472 million.
A one-cent-per-ounce excise tax would be expected to reduce consumption by 13%, according to the previous Health Commissioner of New York City, Tom Frieden (now Director of the Centers for Disease Control), and Yale obesity expert Kelly Brownell.7

Like the steep taxes now levied on tobacco products, which have significantly reduced tobacco use, more modest taxes on sugared beverages would reduce soda consumption – encouraging consumers to switch to more healthful beverages and leading to healthier diets, reduced calorie intake, and less weight gain.

Half of America’s states already tax sugared beverages to one extent or another. Their experiences show that even modest taxes generate millions of dollars that can offset swelling health-care costs related to obesity or help pay for Medicaid and other vital public services. **Levying an excise tax would both encourage more nutritious diets and generate revenues for measures that would improve children’s and elders’ health in Washington, D.C.**

The proposed tax on soft drinks would not prohibit consumers from buying sugary beverages. They would continue to have the option whether to pay more or avoid the tax entirely by switching to tap or bottled water, seltzer, diet soda, or milk (low-fat, we’d hope). Those choices would save them money and benefit their health in the process.

The beverage industry asserts that all calories are the same and that there is nothing unique about liquid calories. However, studies reveal that calories consumed from beverages, such as soda, rather than solid foods, are more likely to promote obesity.8

Also, the beverage industry asserts that a soda tax is regressive and will hurt the poor disproportionately. Sugar-laden soft drinks are hardly necessities of life. They do not provide any positive nutritional value, and they add lots of calories to the diet – thereby having an overall negative effect on health. Lower-income adults would be somewhat more affected by a soft-drink tax. But they also would be especially helped by the programs funded by the taxes, such as the Healthy Schools Act and other programs to improve nutrition (and, of course, by the health benefits from drinking less soda). And all people would save money in the long run by switching from sugar-sweetened beverages to healthier, non-taxed beverages.

Big Soda also claims that such a tax would lead to job loss. That argument is simply bogus. People who buy soft drinks would most likely buy a different beverage, rather than no beverage. All of the big soda companies make a range of beverages, many of which would not be taxed. For example, Coca-Cola sells at least 23 beverages that are zero or low-calorie beverages and PepsiCo sells at least 47 such beverages. **And a soft drink tax would encourage beverage companies to increase production of non-sweetened beverages as demand for sweetened beverages declined, averting job losses.** But even if overall consumption of soft drinks declined, we guarantee you that people would still spend money on other products, benefiting other companies.

Part of today’s obesity problem stems from the excessive soft drink consumption that has been aggressively promoted – to the tune of literally hundreds of millions of dollars annually –
by Big Soda throughout the past decades. Once consumed infrequently in relatively small quantities, usually as a treat, soft drinks now come in gargantuan proportions, available almost everywhere, anytime. Container sizes have grossly expanded over the past 50 years. In the 1950s, Coca-Cola’s standard serving was a 6½-ounce bottle. That grew into the 12-ounce can, and today the 20-ounce bottle, which contains 17 teaspoons of sugar, is widely sold! The 7-Eleven chain of convenience stores even offers a 64-ounce Double Gulp – which contains more than 50 teaspoons of sugar! Many fast-food restaurants offer unlimited free refills. Supersizing has become the norm, both for sodas, and unfortunately, for most soda-drinking Americans. And vending machines beckon people 24 hours a day.

If policy makers are to address this country’s obesity epidemic, they must find ways to reduce soft drink consumption. Imposing taxes – and raising the prices of sugar-sweetened beverages – is one of the most effective policy means to achieve that result. The Center for Science in the Public Interest heartily supports the Council’s efforts to improve the health of Washingtonians.

Thank you for your consideration.

Sincerely,

Michael F. Jacobson, Ph.D.
Executive Director