REDUCING CONSUMPTION of SUGAR-SWEETENED BEVERAGES

Julie Salz Greenstein, MHS
Center for Science in the Public Interest

Maryland Food Policy Workgroup
July 21, 2010
CSPI – Who We Are

- Since 1971 – a strong advocate for nutrition, health, and food safety

- Nutrition Action Healthletter
  - 900,000 subscribers nationwide
  - Almost 20,000 subscribers in Maryland
CSPI – Who We Are

CSPI is currently working to:

- Get junk foods out of schools nationwide;
- Rid the food supply of partially hydrogenated oils, the source of trans fat that promotes heart disease;
- Reduce sodium in processed and restaurant foods;
- Improve food safety laws and reduce the incidence of foodborne illness;
- Ensure accurate and honest labeling on food packages; and
- Reduce consumption of sugar-sweetened beverages.
REDUCING CONSUMPTION of SUGAR-SWEETENED BEVERAGES
Obesity in the US

- More than two-thirds of Americans are overweight or obese
- Excess weight is a risk factor for type 2 diabetes, heart attack, stroke, and cancer
- Americans spend about $150 billion/year on obesity-related medical expenses
  - Half is paid for by Medicare/Medicaid dollars
Obesity in MD

- 36.7% of Marylanders are overweight, 26.6% are obese
- Marylanders spend almost $2 billion/year on obesity-related medical expenses
  - Nearly half of that is paid for by Medicare/Medicaid dollars
What are SSBs?

- Non-diet soda
- Sports Drinks
- Energy Drinks
- Sweet Teas
Obesity and Sugar-sweetened Beverages (SSBs)

- SSBs are the single greatest source of calories in the American diet, providing approximately 10% of total average calories.
- SSBs are the only food or beverage shown to increase risk of overweight and obesity.
- Likelihood of a child becoming obese increases 60% with each additional SSB consumed per day.
- SSBs are nutritionally worthless.
Studies Linking SSBs to Weight Gain

- A study of 50,000 nurses found that weight gain over a 4-year period was highest among women who increased their SSB intake and lowest among those who decreased their SSB consumption.

- A meta-analysis found that adding SSBs to the diet leads to an increase in weight.
% Calories Per Day From 2 Beverages

- Milk
- Soft Drinks

Why tax SSBs?

- Combat obesity epidemic
  - Higher price of SSBs will curb consumption

- Gain revenue for the State of Maryland
  - A 1¢/oz excise tax on SSBs could raise $296 million/year
2010 SSB Tax Legislation
13 states, 2 cities (Washington, D.C., Philadelphia)
Modest Victories in 2010

- Washington state – 2 cent/12 oz. temporary excise tax (until 6/13) on all carbonated beverages – current referendum trying to repeal tax
- Colorado – eliminated the sales tax exemption for soda
- Washington, D.C. – eliminated the sales tax exemption for soda
States with SSB Taxes

- Currently, 33 states (including MD) have a sales tax that applies to sugar-sweetened beverages
  - Sales taxes in the states range from 1.225%-7%
  - Almost all states use the sales tax for general revenue
- 6 states have either an excise tax or other fee
Model Bill

- Definition of SSBs
- Amount of Tax
- Earmark $ for prevention of obesity
- CSPI and NPLAN – model bills
Excise vs. Sales Tax

- Excise Tax – most efficient and effective tax; easy to administer
- Built into the price rather than added at checkout
- Readily noticed by consumers
- Would affect price of equal volumes of inexpensive store brands and more expensive national brands
New Findings

Two recently released studies outline potential impact of the SSB tax:

- USDA: Consumers would react to higher price of SSBs by adjusting drink choices. Weight loss induced by the tax could reduce overweight and obesity in children and adults.

- Brigham and Women’s Hospital: Sales of SSBs declined by 26% during price-increase phase of experimental study.
What did the USDA study find?

A 20-percent price increase from a tax on caloric sweetened beverages is estimated to reduce total calorie intake from beverages by 13 percent for adults and by 11 percent for children.

Calories per day

- 287 from caloric sweetened beverages
- 403 from all other beverages

Sources: Economic Research Service calculations based on the National Health and Examination Survey data, 2003-06.
USDA Study

- A 20% increase in the price of SSBs could reduce net calorie intake from all beverages by 37 calories/day for adults, 43 calories/day for children.
- Daily calorie reductions would result in an average reduction of 3.8 lbs/year for adults and 4.5 lbs/year for children.
- Weight loss induced by tax could reduce: overweight prevalence from 66.9 to 62.4% for adults; obesity prevalence from 33.4 to 30.4% for adults; and overweight prevalence from 16.6 to 13.7% for children.
Brigham and Women’s Hospital Study

- A price increase of 35% on regular soft drinks sold in cafeteria
- Other interventions were implemented, including an educational campaign and a combined educational campaign/price increase
- Price increase proved most effective, sales of soft drinks declined by 26% during this phase of the study
Price Hikes Will Reduce Demand for SSBs
The Beverage Industry Fights Back

- **Beverage industry arguments:**
  - “Calories are calories”
  - One food item is not solely responsible for obesity epidemic
  - SSBs are a small portion of the average American’s calorie intake
  - Tax is regressive
  - Job losses
  - Identified other, “better” ways to combat obesity (e.g., physical activity, parental responsibility)

- Organized and well-funded campaigns

- Lobbying and political contributions
Dear Washington,

Are you listening?

Think Smart. Be Smart. Act Smart.

Now, more than ever, Americans must think smarter and act smarter. Especially when it comes to improving health care in America, an admirable goal we support. But we also know we can’t tax our way to healthier lifestyles, and we need to make that clear to our members of Congress. After all, we do have an obligation to our children — and to ourselves — to promote healthy lifestyles through balanced diet and exercise. More

Make your voice heard!

STEP 1
JOIN US

STEP 2
TAKE ACTION

STEP 3
TELL A FRIEND

SMART CHOICES FOR KIDS

The food and beverage industry is doing its part to reduce childhood obesity through innovation, nutrition education, and encouraging physical activity. America’s leading beverage companies are cutting calories in schools across the country. CLICK HERE to find out more about the School Beverage Guidelines, part of a broader effort to teach children the importance of a balanced diet and exercise.

EDUCATION NOT TAXATION

Discriminatory and punitive taxes on soda and juice drinks do not teach our children to have a healthy lifestyle and have no meaningful impact on child obesity or public health. They just further burden working families already struggling in this trying economy. CLICK HERE to read more about why increased taxes are not the solution.

HEALTHY ECONOMY

American families and small businesses are struggling to survive in the current economy. CLICK HERE to learn more about the devastating economic impact of raising more taxes on the food and beverage industry...and on the millions of Americans who eat and drink every day.
Millions of Dollars Spent on Political Activities (Coke, Pepsi, and ABA)
What else can you do?

- Lobby the federal government for revisions to SNAP
- Encourage restaurants to limit refills and provide healthful beverages as default for kids’ meals
- Encourage hospitals, day- and after-care facilities, etc. to eliminate SSBs
- Address public procurement policies for vending machines, meetings, purchased foods, etc.
What’s Happening Now

- NYC’s procurement policy – 25 calories or less/8 oz. for beverages other than 100% juice or milk
- San Francisco – banned SSBs from public property vending machines
- Soda-Free Summer programs
- Cleveland Clinic is eliminating SSBs
- NYC “Pour on the Pounds” media campaign
ARE YOU POURING ON THE POUNDS?

DON’T DRINK YOURSELF FAT.
Cut back on soda and other sugary beverages. Go with water, seltzer or low-fat milk instead.

CENTER FOR SCIENCE IN THE PUBLIC INTEREST
<table>
<thead>
<tr>
<th>Drink</th>
<th>Number of Calories</th>
<th>Teaspoons of Sugar</th>
</tr>
</thead>
<tbody>
<tr>
<td>Iced White Chocolate Mocha (16 oz)</td>
<td>340</td>
<td></td>
</tr>
<tr>
<td>Cola (20 oz)</td>
<td>250</td>
<td></td>
</tr>
<tr>
<td>Lemon Lime Soda (20 oz)</td>
<td>240</td>
<td></td>
</tr>
<tr>
<td>Orange Delight Drink (16 oz)</td>
<td>225</td>
<td></td>
</tr>
<tr>
<td>100% Apple Juice (16 oz)</td>
<td>220</td>
<td></td>
</tr>
<tr>
<td>Lemon Flavored Iced Tea (20 oz)</td>
<td>210</td>
<td></td>
</tr>
<tr>
<td>Café Latte (16 oz)</td>
<td>190</td>
<td></td>
</tr>
<tr>
<td>Sports Drink (20 oz)</td>
<td>120</td>
<td></td>
</tr>
<tr>
<td>Water, Seltzer (20 oz)</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>
Holy Cross Hospital, Silver Spring, MD
Johns Hopkins School of Public Health
Thank you