



2011-2012 POLICY GOAL FACT SHEET

Conduct community mobilization, engagement and education about the relationship between sugar-sweetened beverages and obesity and how revenue generated from a tax on sugar-sweetened beverages can benefit community and state-level obesity prevention efforts.

Background: Currently, the direct health care cost of obesity in Illinois is \$3.8 billion, and that is expected to rise to \$14 billion or more by 2018¹. Over a billion of the current costs are paid by Medicaid, the health care program for children and the poor funded by Illinoisans' state and federal tax dollars. This financial cost and the debilitating effects of diabetes, cancer, heart disease and other obesity related chronic diseases on Illinois residents demand investment in prevention and obesity reduction.

Sugar-sweetened beverages are a major contributor to obesity and its costs. In recent decades, per capita intake of sugar-sweetened beverages (SSBs) has doubled in the United States across all age groups² and since the mid-90's children have been getting more calories from sugary beverages than from milk³. Between 1997 and 2002, the percentage of total calorie intake from beverages (mostly caloric sweetened beverages) increased from 14.2% to 21%⁴. Research indicates that an increase in sugary beverage consumption is associated with increases in caloric intake, weight gain, obesity and a variety of other negative health consequences among children, teens and adults⁵. While the different effects of sweeteners (sugar, high fructose corn syrup) are debated by advocates and industry, there's no doubt they contribute to obesity, and it is the affordability of high fructose corn syrup (the most common sweetener found in SSBs) that makes this such a critical issue for obesity prevention. The low cost of SSBs makes it possible for consumers to purchase these beverages at 3 to 8 times the size of when SSBs first came on the market. Eight to twelve ounce cans used to be the norm, now 20 ounces are the norm and it is possible to find portions as large as half a gallon.

Solution: Investing in prevention at the state and community level by increasing access to physical activity and healthy foods for residents, improving nutrition and physical activity in schools and child care programs, strengthening and building active transportation options, and supporting doctors and other clinicians to implement prevention and treatment programs is critical to arresting and reversing Illinois' obesity epidemic. A tax imposed on sugary beverages could raise more than \$600 million for the fight to reduce obesity and would help offset the social costs of the obesity epidemic they are fueling. Such a tax would have the added value of providing incentives to consumers to reduce their daily caloric intake from such beverages. A recent study by the USDA predicted that adults would lose an average of 3.8 pounds over the course of a year and children would lose 4.5 pounds over a year as a result of a tax-induced 20 percent price increase on caloric sweetened beverages⁶. Combined with the prevention efforts that the tax revenues would fund, Illinois could achieve IAPO's goal of reversing the obesity epidemic by 2018.

Urgency: A tax on sugary beverages in Illinois should adhere to the following principles:

- All revenues from the tax should be earmarked for a fund that invests in health and obesity prevention, either broadly, or more focused on children. The fund should have the following components:
 - State level policy, environmental and systems change initiatives that promote integrated efforts across agencies and stakeholders such as public health, transportation, parks and recreation, and schools.
 - Investment in local community coalition efforts focused on policy, environmental and systems change initiatives.
 - Investments in schools to improve nutrition and physical activity opportunities for children.
 - Investment in health care and clinical interventions that prevent and treat obesity and chronic disease.
- The tax should be structured as an excise tax, so that the pricing impact is on the shelf and thus provides an incentive to consumers to choose healthier drink options. A sales tax at the checkout line does not influence consumer choice.

Action: Provide your organizational support and get involved in educating and mobilizing your constituents, local policy makers, and stakeholders on the health effects of sugary beverages, the need to invest in prevention and treatment and the opportunity to address both issues through a sugar-sweetened beverage tax. **Supporting this goal is not an endorsement of a specific legislative proposal.**

IAPO stakeholders developed a State Obesity Action Roadmap and 2011-12 Policy Agenda following year-long efforts to engage communities across the state in identifying bold solutions to Illinois' obesity epidemic. Visit www.preventobesityil.org for more information and to become an endorsing organization.

The Illinois Alliance to Prevent Obesity (IAPO) is a statewide coalition comprised of a broad range of stakeholders working for a state-level response to the obesity epidemic. The IAPO works to shape and advance solutions to reverse dangerous obesity trends. IAPO supporters believe that Illinois must respond to the obesity epidemic by developing coordinated systems, policy improvements and investment on the scale of the problem.

¹ United Health Foundation. America's Health Rankings 2009. <http://www.americashealthrankings.org/2009/obesity/ECO.aspx>

² Brownell, K. D., et al. *The Public Health and Economic Benefits of Taxing Sugar-Sweetened Beverages*. New England Journal of Medicine. <http://www.nejm.org/doi/full/10.1056/NEJMhpr0905723>

³ Yale Rudd Center for Food Policy and Obesity. Rudd Report: Soft Drink Taxes Policy Brief.

<http://www.yaleruddcenter.org/resources/upload/docs/what/reports/RuddReportSoftDrinkTaxFall2009.pdf>

⁴ Smith, T.A., Lin, B. & Lee, J. (2010). Taxing Caloric Sweetened Beverages: Potential Effects on Beverage Consumption, Calorie Intake, and Obesity. <http://www.ers.usda.gov/Publications/ERR100/>

⁵ Robert Wood Johnson Foundation. *Sugar-Sweetened Beverage Taxes*

and Public Health. http://www.healthyeatingresearch.org/images/stories/her_research_briefs/ssb_taxes_and_public_health_herresearch_brief_7.31.09_final.pdf

⁶ Smith, et al. Taxing Caloric Sweetened Beverages