

Seattle Healthy Kids Coalition

The Seattle City Council adopted a tax on sugary drinks in June 2017 to increase funding for early learning, education and public health programs in Seattle. More than a third of American adults are obese, and today's children are already our most overweight generation.¹ And the obesity epidemic is directly tied to rising consumption of sugary drinks.² This is why Thomas R. Frieden, immediate past director of the Centers for Disease Control and Prevention, said sugary drinks taxes are *"the single most effective measure to reverse the obesity epidemic."*

Sugary Drinks Tax

The tax is on the distribution of sugary drinks and concentrates used to make sugary drinks sold within the city. The tax will be paid by distributors based on the volume they distribute.

- The measure imposes a tax of 1.75 cents per ounce on sugary drinks sold within the city of Seattle
- Small manufacturers with global income of less than \$2 million are exempt from the tax and distributors will not have to pay a tax on products produced by those business
- Beverages made by companies with a gross income of between \$2 million and \$5 million will be subject to a reduced tax rate of 1 cent per ounce

Products covered by the tax include:

- Soda and commercial concentrates for making soda
- Energy drinks
- Sweetened juices
- Sports drinks and flavored waters with added sugar
- Any other beverage with an added caloric sweetener which is not milk, a milk substitute, an alcoholic beverage, a meal replacement drink, or has a medical use

Expanding Funding for Early Learning, Education and Public Health

- A tax on sugary drinks could raise as much as \$15 million per year, but as consumers purchase fewer sugary drinks, this revenue will likely decrease over time
- For the first five years of the tax, up to \$5 million contribution to an endowment for the Seattle Colleges 13th Year Promise Scholarship program
- Capital projects to construct or enhance classroom facilities for use by the Seattle Preschool Program
- Fresh Bucks and Fresh Bucks to Go; a program that doubles the buying power of food stamps at local farmers markets
- Implementation of the Seattle Food Action Plan

¹ <https://www.hsph.harvard.edu/nutritionsource/sugary-drinks-fact-sheet/>

² <https://www.nap.edu/read/13275/chapter/1>

- Public health and nutrition programs targeted to assist persons experiencing diabetes and obesity
- Public awareness campaigns to highlight the impact of sugar-sweetened beverages on health outcomes and increase education about healthy food and beverages
- Capital investments to promote healthy choices, such as water bottle filling stations in schools and community centers
- Evidence-based programs that improve the social, emotional, educational, physical health, and mental health for children, especially those services that seek to reduce the disparities in outcomes for children and families based on race, gender, or other socioeconomic factors and to prepare children for a strong and fair start in kindergarten.

Accountability

A Sweetened Beverage Tax Community Advisory Board has been established to advise and make recommendations to the mayor and City Council to establish and/or fund programs and activities consistent with the intent of this tax to benefit Seattle's communities who experience the greatest education and health inequities. The Board is comprised of 11 members that have experience in community-based programs, who represent the populations disproportionately impacted by diseases related to the consumption of sugary drinks and that have expertise in public health, nutrition, education and early learning.

The City Auditor has also contracted with academic researchers at the University of Washington to complete an annual evaluation of the effects of the tax. The evaluation shall assess, for example:

- economic outcomes (such as household food expenditures, beverage prices and sales, jobs, and store revenues)
- health behaviors (such as dietary purchases and consumption)
- intermediate health outcomes
- identification and assessment of food deserts in the city
- effectiveness and efficiency of the foodbank network in the city

The evaluation will rely on data collected specifically for the purposes of the evaluation from populations in Seattle as well as outside Seattle to enable a rigorous comparison of trends in behavior, health and economic outcomes.

The Seattle Healthy Kids Coalition represents a broad group of Seattle and national leaders and organizations in early learning, education and public health. The Coalition led the community-based effort in successfully urging the Seattle City Council to adopt a tax on sugary drinks and is actively supporting a successful implementation of the new policy.

For more information about the work ahead to implement Seattle's new tax on sugary drinks, please contact the Coalition at **info@seattlehealthykidscoalition.org**.

