

Sugar-Sweetened Beverage Tax City of Berkeley's Experience

SPUR Lunchtime Forum
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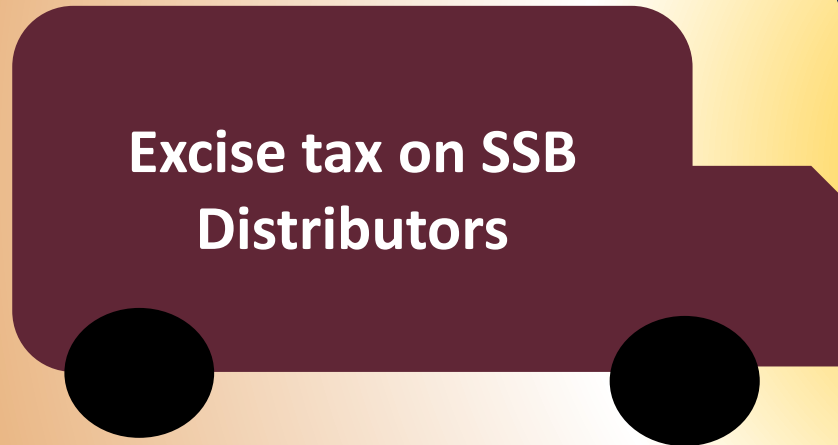
Overview

- ✓ Berkeley's Sugar-Sweetened Beverage (SSB) tax
- ✓ SSB Panel of Experts (Commission)
- ✓ Funded initiatives
- ✓ Pearls of wisdom

Berkeley's Success: 1st in the Nation

- ✓ Ordinance passed by Berkeley voters: effective on January 1, 2015 (expires in 2026)
- ✓ What the Ordinance Created:
 - ✓ *1st Provision* - Excise Tax \$0.01 per fluid ounce on the DISTRIBUTION of Sugar-Sweetened Beverages (SSB) in Berkeley.
 - ✓ *2nd Provision* - Sugar-Sweetened Beverage Product Panel of Experts (SSBPPE) Commission

Measure D



Distributors with \$100,000+
in annual gross revenue.



Tax Implementation

- ✓ **Phase 1: Distributors** (45 major distributors)
 - ✓ Taxpayers Education Day – January 27, 2015.
 - ✓ Tax effective January 2015 – Remittances began in March 2015.
- ✓ **Phase 2: Self-distributors** (113 confirmed)
 - ✓ Taxpayer Education Days – November 19-20, 2015.
 - ✓ Tax effective January 2015 – “*Tax Holiday*”.
 - ✓ Remittances started in January 2016.

**Tax
Collection
Contracted
out
to a
3rd Party
Contractor**

SSB Tax Revenue Generated

- 1st Quarter: Mar. – May 2015 = \$375,183.69
- 2nd Quarter Jun. – Aug. 2015 = \$317,643.26
- 3rd Quarter Sept. – Nov. 2015 = \$400,951.79
- 4th Quarter Dec. 2015 – Feb. 2016 = \$323,194.40

Total to Date: \$1,416,973.14

Sugar-Sweetened Beverage Product Panel of Experts (SSBPPE) Commission

“There shall be established the Sugar-Sweetened Beverage Product Panel of Experts to make recommendations on how and to what extent the City should establish and/or fund programs to reduce the consumption of sugar-sweetened beverages in Berkeley and to address the effects of such consumption.”

Ord. 7388-NS § 7.72, 2014

Public Health Division appoints a staff secretary to the SSBPPE Commission.

SSBPPE Commission Selection Criteria

Each member of the Panel must:

- ✓ Be a City of Berkeley resident.

And have experience in:

- ✓ Community-based youth food and nutrition programs; or
- ✓ School-based food and nutrition programs and referred by the Berkeley Unified School District; or
- ✓ Early childhood nutrition education; or
- ✓ Public Health research or evaluation related to diabetes, obesity, and sugary drink consumption; or
- ✓ A licensed medical practitioner.

SSBPPE Commission Selection Process

- ✓ An open application process.
- ✓ City and public participation - Healthy Child Coalition (HCC)
- ✓ 40 applications received and reviewed by Councilmembers & HCC
- ✓ Each Councilmember & Mayor appointed a finalist.
- ✓ Maximum term on Commission: 8 consecutive years.

SSBPPE Commission

- ✓ 9 Council-appointed Commissioners
- ✓ 1st meeting in May 2015
 - ✓ 2015 = 11 monthly meetings (actual)
 - ✓ 2016 = 10 monthly meetings (scheduled)
- ✓ Four Subcommittees:
 - ✓ Prevention Strategies & Outcomes
 - ✓ Funds Allocation
 - ✓ Community Engagement
 - ✓ Berkeley Unified School District Funding

Areas of Expertise

Oral Health

Food Access

Public Health

Child Nutrition

Program Evaluation

Nutrition Education

Community Organizing

SSBPPE Commission Activities

- ✓ **Recommendations to Council**
 - ✓ Funding of staff position(s)
 - ✓ Funding of BUSD Cooking and Gardening Program
 - ✓ Funding of evaluation initiatives
 - ✓ Community Agency funding
 - ✓ Public forum for input and information/education

Community Agency Funding Process

- ✓ SSBPPE Commission developed funding priorities/criteria
- ✓ Staff created and released RFP
- ✓ Proposals systematically reviewed
 - ✓ By Commissioners
 - ✓ By Staff
- ✓ Funding recommendations to City Council
 - ✓ SSBPPE Commission
 - ✓ Staff
- ✓ Funding awards determined by Council

Funding Criteria – Proposed Project

- ✓ Evidence of decreasing consumption of sugary drinks and/or address the health effects of the consumption of sugary drinks. (15%)
- ✓ Priority populations. (15%)
- ✓ Partnerships and collaboration. (15%)
- ✓ Builds capacity and/or has elements that are sustainable beyond the grant period. (15%)
- ✓ Reasonable timeline and is feasible. (10%)
- ✓ Innovative. (10%)
- ✓ Budget matches the work plan. (10%)
- ✓ Related experience. (10%)

Funded Initiatives: Schools & Community Agencies

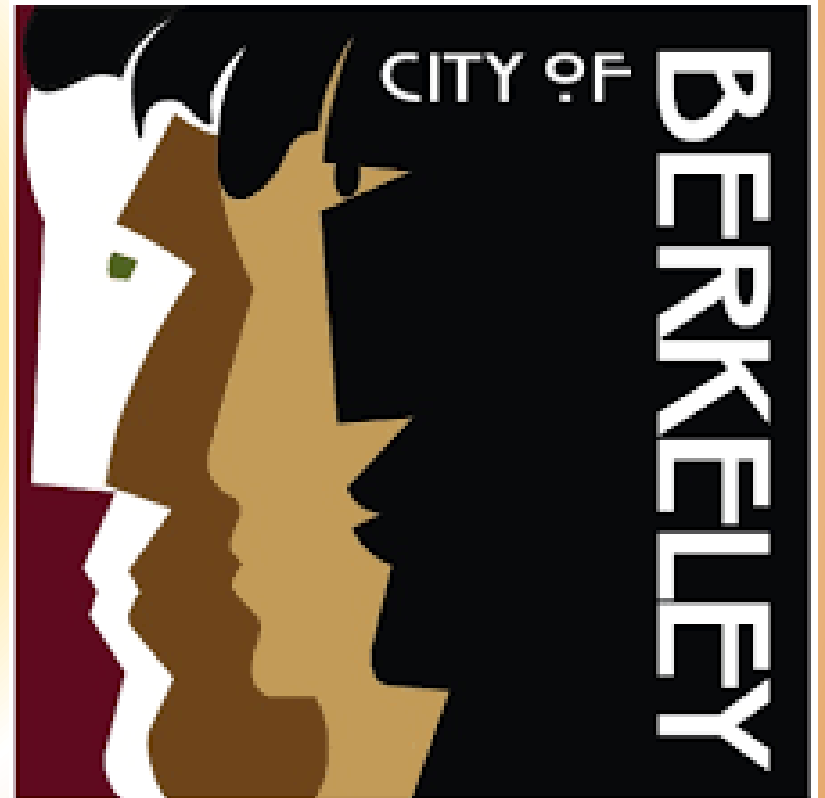
- ✓ \$887,500 to BUSD Cooking, Gardening and Nutrition Program in FY16 and FY17.
- ✓ \$637,500 in FY17 to reduce consumption and health impacts of SSBs:
 - ✓ **Berkeley Youth Alternatives** - \$125,000 for *Team Nutrition* Program
 - ✓ **Ecology Center** - \$115,266 for *It's Your Body – Don't Hate, Hydrate!* Program
 - ✓ **Healthy Black Families** – \$245,874 for *Thirsty for Change!* Program
 - ✓ **YMCA of the Central Bay** - \$151,360 for *Diabetes Prevention & Obesity Reduction* Programs

Funded Initiatives – Contracts & Staffing

- ✓ \$70,000 for Education and Communication Campaign.
- ✓ \$30,100 for Branding Strategy & SSB Program website.
- ✓ \$125,000 for mini-grants of \$10,000 or less to small organizations.
- ✓ \$39,900 Contract to evaluate the tax implementation & conduct baseline study.
- ✓ \$125,000 Contract to evaluate the SSB Funding Program.
- ✓ \$100,000 Public Health staffing (Program Manager) and operating expenses.

“Pearls” from Berkeley

- ✓ Dedicate adequate staff
- ✓ Contract out tax collection
- ✓ Implement tax in phases
- ✓ Communicate clearly and regularly
 - ✓ About revenue generation
 - ✓ About funding opportunities & process
- ✓ Serve as resource for other jurisdictions



Berkeley: An Inspiration for Other U.S. Cities



November 2016 ballots:

- ✓ San Francisco, CA
- ✓ Oakland, CA
- ✓ Albany, CA

Other Cities:

- ✓ Seattle, WA
- ✓ Boulder, CO
- ✓ Philadelphia, PA

“Never doubt that a small group of thoughtful, committed citizens can change the world; indeed, it’s the only thing that ever has.”

Margaret Mead

Thank you! Questions?

Contact:

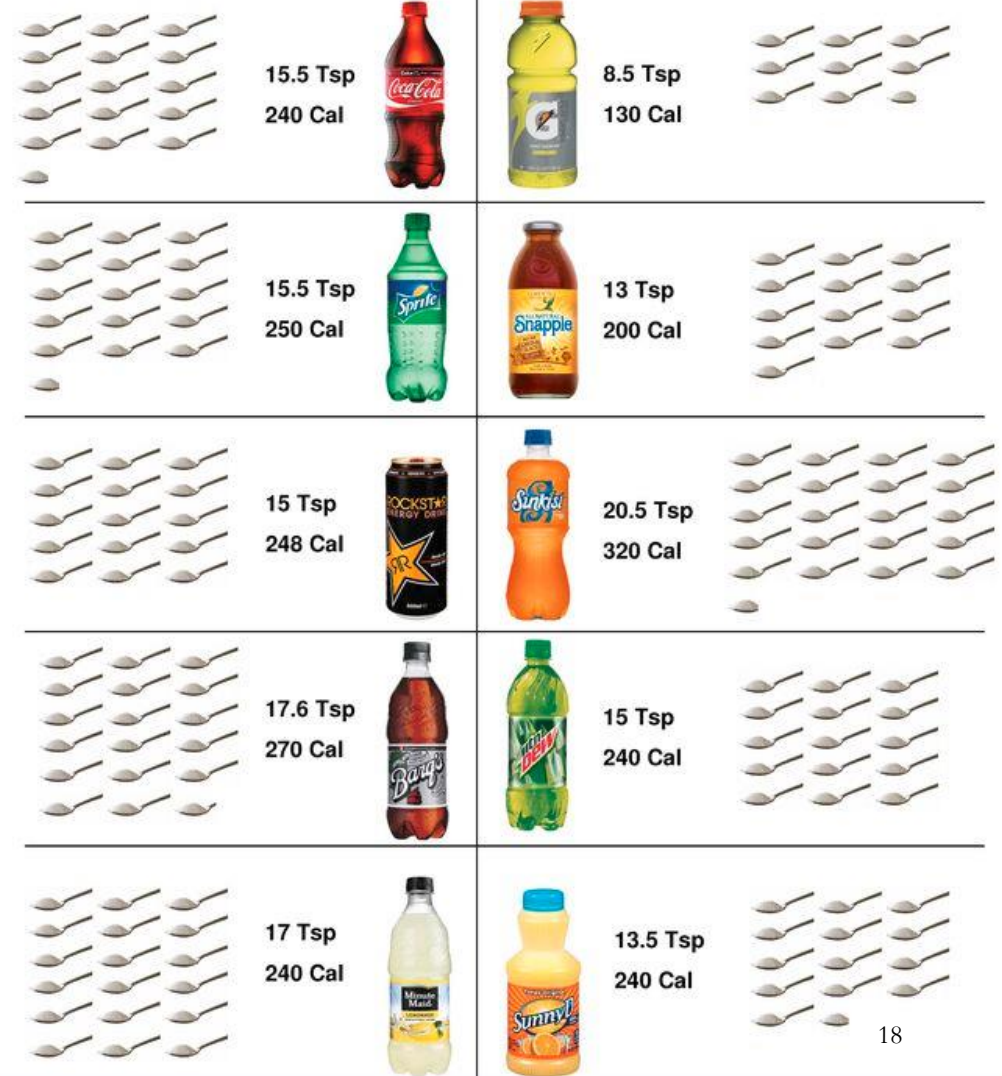
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What are you *Actually* Drinking?

See how your favorite 16-20oz drink stacks up below



Get tips for cutting back at www.fewersugarydrinks.org