

July 27, 2016

Members, Ballot Simplification Committee
Department of Elections
City and County of San Francisco
1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102

VIA PDF E-MAIL

Re: Comments on Draft Digest for “Tax on Sugar-Sweetened Beverages” Measure

Dear Members of the Ballot Simplification Committee:

On behalf of No SF Grocery Tax, with major funding by American Beverage Association California PAC, the committee primarily formed to oppose the ballot measure provisionally known as the “Tax on Sugar-Sweetened Beverages” Measure, we respectfully submit these few comments on the draft digest which you will be considering at tomorrow’s meeting.

We believe that one change is warranted, in several places in the Digest, to make the Digest accurate. Specifically, in several places the Digest states simply that the tax would be imposed “on sugar-sweetened beverages.” **We believe that, in the interest of accuracy, the Digest should advise voters that the new tax would be imposed on *the distribution of sugar-sweetened beverages*.** Simply being in possession of a can of soda will not subject San Franciscans to the tax in question. The places in which we believe the changes should be made are identified on the attached redline document.

Consistent with this proposed change, we would note that the Digest for Proposition E in 2014 specifically advised voters that “If you vote ‘yes,’ you want the City to collect a tax of 2 cents per ounce from the distributors of sugar-sweetened beverages to fund health, nutrition, physical education and active recreation programs.” (Emphasis added.)

[CES8154.19]

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We also believe that the change should be made in the working title. We are mindful of the fact that the working title is not a matter within the purview of the Committee, but is prescribed by the Director of Elections instead. However, we wish to provide comments regarding the proposed title, and do so here in the hope that these comments may be provided to the Elections Director for his consideration.

We look forward to discussing these comments with you at tomorrow's meeting.

Sincerely,



Christopher E. Skinnell

Enclosure

Tax on Distribution of Sugar-Sweetened Beverages*

Digest by the Ballot Simplification Committee

Status: Draft for Consideration

On: Thursday, July 28, 2016

Members: Packard, Anderson, Fasick, Fraps, Jorgensen

Word count: (suggested 300-word limit)

Deadline to Request Reconsideration: TBD

The Way It Is Now: The City does not impose a tax on the distribution of sugar-sweetened beverages.

The Proposal: Proposition ____ would place a tax of one cent per ounce on the distribution of sugar-sweetened beverages.

A sugar-sweetened beverage is a beverage that contains added sugar and 25 or more calories per 12 ounces, including some soft drinks, sports drinks, iced tea, juice drinks and energy drinks. The tax would also apply to distributors of syrups and powders that can be made into sugar-sweetened beverages.

The distributors of sugar-sweetened beverages in San Francisco would be responsible for paying the tax. The tax would not apply to retail sales.

Some beverages would not be subject to the tax, including:

- Diet sodas;
- Beverages that contain only natural fruit and vegetable juice;
- Infant formula;
- Milk from animal or vegetable sources, including soy, rice, and almond milk;
- Nutritional therapy, rehydration, and other beverages for medical use; and
- Alcoholic beverages.

The City could use the proceeds of the tax for any governmental purpose.

A 16-member Sugary Drinks Distributor Tax Advisory Committee would evaluate the impact of the tax on beverage pricing, consumer purchasing behavior, and public health. The Committee would also advise the Mayor and the Board of Supervisors about how to reduce the consumption of sugar-sweetened beverages in San Francisco.

A "YES" Vote Means: If you vote "yes," you want to place a tax of one cent per ounce on the distribution of sugar-sweetened beverages.

A "NO" Vote Means: If you vote "no," you do not want to place a tax of one cent per ounce on the distribution of sugar-sweetened beverages.

**Working title, for identification only. The Director of Elections determines the title of each local ballot measure; measure titles are not considered during Ballot Simplification Committee meetings.*