

SF SUGARY DRINKS DISTRIBUTOR TAX ADVISORY COMMITTEE

San Francisco Department of Public Health
Community Health Equity and Promotion Branch

March 29, 2023



POPULATION HEALTH DIVISION
SAN FRANCISCO DEPARTMENT OF PUBLIC HEALTH
**COMMUNITY HEALTH EQUITY
& PROMOTION**



Sugary Drinks Distributor Tax Ordinance

Adopted by voters in November 2016 and effective January 1, 2018, the Sugary Drinks Distributor Tax levies 1 penny per ounce on the Distributor making the initial Distribution of a Bottled Sugar-Sweetened Beverage, Syrup, or Powder in the City.

The Tax is calculated as follows: One cent (\$0.01) per fluid ounce of a Bottled Sugar-Sweetened Beverage upon the initial Distribution within the City of the Bottled Sugar-Sweetened Beverage, including “self-distributors” those who bring drinks into the city for retail sale; and

One cent (\$0.01) per fluid ounce of a Sugar-Sweetened Beverage that could be produced from Syrup or Powder upon the initial Distribution of Syrup or Powder.

The Tax for Syrups and Powders is calculated using the largest volume of Sugar-Sweetened Beverage that would typically be produced by the amount of Syrup or Powder based on the manufacturer’s instructions or, if the Distributor uses the Syrup or Powder to produce a Sugar-Sweetened Beverage, the regular practice of the Distributor.

The Tax is a general tax. Proceeds of the Tax are to be deposited in the General Fund.



What is a Sugary Drink?

“Sugar-Sweetened Beverage” means any Nonalcoholic Beverage intended for human consumption that:

- contains added Caloric Sweetener
- contains more than 25 calories per 12 fluid ounces of beverage

Includes but is not limited to all drinks and beverages commonly referred to as “soda,” “pop,” “cola,” “soft drinks,” “sports drinks,” “energy drinks,” “sweetened ice teas,” or any other similar names.



Sugary Drinks Distributor Tax Advisory Committee

The Sugary Drinks Distributor Tax Advisory Committee makes recommendations to the Mayor and the Board of Supervisors on the effectiveness of the in Business Tax and Regulations Code Article 8.

The Advisory Committee submits to the Board of Supervisors and the Mayor a report that

- (a) **evaluates the impact** of the Sugary Drinks Distributor Tax on beverage prices, consumer purchasing behavior, and public health, and
- (b) **makes recommendations regarding the potential establishment and/or funding of programs** to reduce the consumption of Sugar-Sweetened Beverages in San Francisco.

Committee Documents: www.sfdph.org/sddtac



San Francisco Sugary Drinks Distributor Tax Advisory Committee Strategic Plan 2020 - 2025

Vision

San Francisco improves health, eliminates health disparities, and achieves equity through effective services and changes to the environment, systems, and policies.

Mission

The Sugary Drinks Distributor Tax Advisory Committee (SDDTAC) makes funding recommendations that support services and other innovative, community-led work to decrease sugary beverage consumption and related chronic diseases.

Values



Supporting community-led and culturally relevant work.



Building strong collaborations and partnerships.



Prioritizing results and long-term impacts.



Eliminating structural inequities and achieving equity.



SDDTAC Funding Principles

The SDDTAC identified the following priority populations to be served:

- Low income San Franciscans, and/or
- Populations shown to be consuming sugary drinks at a high rate, and/or
- Populations disproportionately affected by diet sensitive chronic diseases (such as diabetes, obesity, heart disease, and/or tooth decay)

Support the aims of the tax itself by **reducing sugary drink consumption and supporting public health through a reduction of diet-related diseases:**

- Decreasing consumption of sugary drinks
- Increasing water consumption
- Oral health
- Healthy food access
- Physical activity
- Other (e.g. research/CBPR, new innovations, etc.)

Support implementation of the SDDT and the work of the SDDTAC





Sugary Drinks Distributor Tax (SDDT): How it Works

In November 2016, San Francisco voters passed the Sugary Drinks Distributor Tax (SDDT) - more commonly known as the SF Soda Tax, which established a 1 cent per ounce fee on the initial distribution of drinks with added sugar. This chart shows how the tax revenue flows into the city and to the communities most targeted by the sugary drinks industry marketing and advertising tactics.



Learn more at www.SodaTax-SF.org

1. Sugary Drink Distributors are Taxed

The SF Soda Tax is not a sales tax. Distributors are responsible for paying the tax. Merchants may choose to pass the cost of the tax along to consumers.

2. Revenue is Collected

The SF Soda Tax collects about \$15-16 million each year. The revenue goes into the City's General Fund. About 22% is set aside for specific, voter-approved projects. The Tax Advisory Committee makes recommendations to the mayor on how to spend the remaining 78%.

3. Tax Committee Recommends Investments

The Committee talks to community members to learn about how the tax revenue could benefit people, especially low-income people and people of color who are most targeted by the beverage industry's advertising. The Committee then submits their funding recommendations to the Mayor.

4. City Budget Process Finalizes Investments

The Mayor submits a budget proposal to the Board of Supervisors, including recommendations for the SF Soda Tax funds. The Board of Supervisors votes on the budget and the Mayor signs it.

5. SF Soda Tax Funds Programs!

SF Soda Tax funds go to City departments who either implement programs and services directly or issue grants to community-based organizations to fund their important work.



SDDTAC Structure & Schedule

SDDTAC Members are allowed 3 excused absences from full committee meetings.

Prepare for and Participate in monthly SDDTAC meetings (third weds of month 5p -8p)

Prepare for and Participate in one of three monthly SDDTAC subcommittee meetings

Infrastructure (second Monday of month 3pm – 4:30pm)

Community Input (second Tuesday of month 4:30pm – 6pm)

Data and Evidence (second Wednesday of month 10am – 12pm)

Provide designated community seat perspectives and analyses with respect to funding recommendations.

- engage with community throughout SF, particularly those most targeted by Big Soda and low-income populations
 - Black/African American, Latinx, Pacific Islander, Asian, Native American/American Indian
- bring community perspective into recommendation making process
- promote and share recommendations of SDDTAC



SDDTAC Meeting Operation

- ***SDDTAC By Laws***
- ***SF Sunshine Ordinance***: government's duty to serve the public, reaching its full decisions in view of the public
- ***Brown Act***: guarantees the public's right to attend and participate in meetings of local legislative bodies, agendas posted within 72 hours of meeting, minutes are taken and open to the public and posted in public within 10 days
- ***Robert's Rules of Order***: quorum, agendas (order of business), chairperson to preside, keeping time, one speaker at a time, member motions, voting, minutes
- ***Calendar Invites***: Backbone staff sends invites; meeting info on SDDTAC webpage



SDDTAC BY LAWS

- **Membership** – 16 voting members (appointed by BOS and/or Dept Directors)
- **Attendance** – Expected to attend each SDDTAC meeting, special meetings and maintain a record of members' attendance
- **Election of Officers & Terms of Office** – elect co-chairs annually in March or after adopting the annual report
- **Committee Meetings** – Meetings shall be open and public, 3rd Wed of the month, public comment, meeting minutes
- **Quorum**
- **Rules of Order** and Compliance with Open Meeting Requirements
- **Voting**

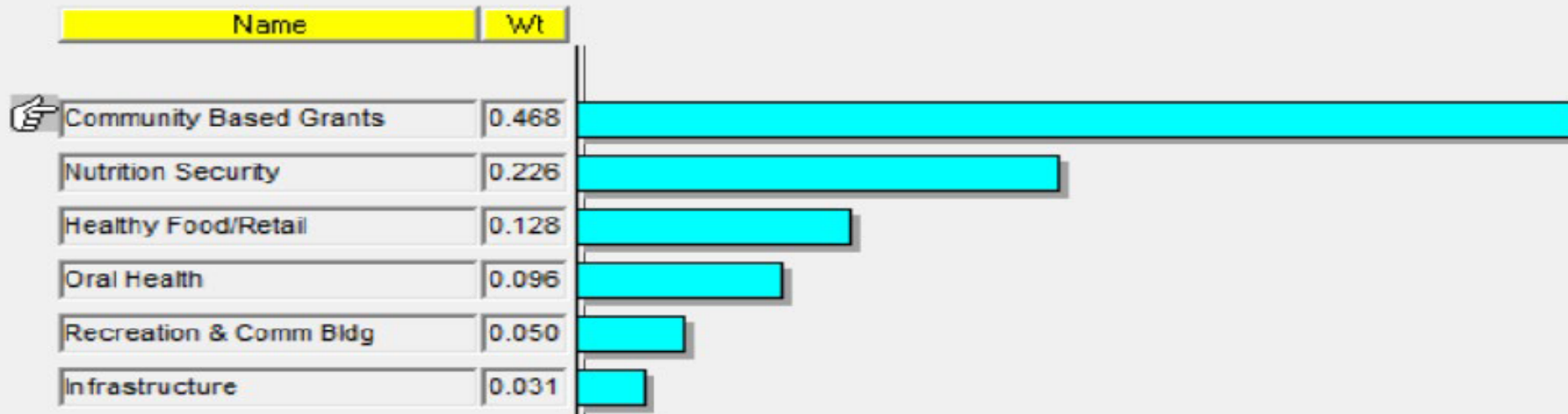


AliahThink Tool

The Goal: providing funding rx to the Mayor&BOS to impact communities most impacted by bev cos. a

With respect to:

The Goal



SDDTAC Budget Domain Prioritizations



SDDTAC Backbone Staff



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Thank You & Questions

