



Invest in a Healthy Hawai'i

with a Sugary Drink Fee

Is Hawai'i Thriving?



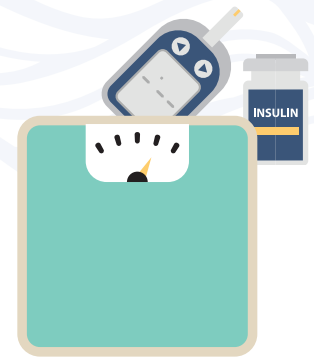
Rising health care costs

- » Hawai'i spends more than **\$470 million a year** treating obesity-related health conditions.¹
- » In 2017, diabetes-related health care costs in Hawai'i were an estimated **\$1.5 billion** per year.²



Higher rates of tooth decay

- » More than **7 out of 10 Hawai'i third graders (71%)** are affected by tooth decay; compared to the national average of 52%.³



Increasing Obesity, Diabetes & Prediabetes

- » **60%** of Hawai'i adults are overweight or obese.⁴
- » **410,000 adults** in Hawai'i have prediabetes⁵ and **167,000 adults** in Hawai'i have diabetes.⁶

WHAT'S CONTRIBUTING TO THIS?

The beverage industry spends over a billion dollars per year marketing sugary drink products in the US.⁷ **Sugar-sweetened beverages (SSB)**, also known as **sugary drinks**, are the #1 source of added sugar in the American diet.⁸

A fee on sugary drinks will...⁹⁻¹¹

- ✓ Save Lives
- ✓ Save Money
- ✓ Create Revenue

THE EFFECTS OF Sugary Drinks on Your Body

Consuming sugary drinks sets up children for a lifetime of health challenges that include **type 2 diabetes, tooth decay, and heart disease.**¹²⁻¹⁴



TYPE 2 DIABETES

The body absorbs the sugar quickly from sugary drinks, causing rapid spikes in blood sugar and contributing to insulin resistance.¹³



HEART DISEASE

Drinking added sugars can raise blood pressure and cause chronic inflammation, both of which lead to heart disease.^{12,13} Children who drink too much added sugars have a higher risk of heart disease in adulthood.¹⁵



TOOTH DECAY

Sugar in sugary drinks cause the bacteria in the mouth to form an acid that sticks on teeth causing dental problems such as cavities, erosion, gum disease, and bad breath.¹⁶ Tooth decay also negatively affects how children perform in school,¹⁷ their social-emotional development, sleep, and nutrition.¹⁸



WEIGHT GAIN AND OBESITY

Drinking sugary drinks causes blood sugar levels to rise and fall quickly, which can make people feel hungry sooner and eat more.¹² Adults who drink one sugary drink or more per day are 27% more likely to be overweight or obese than non-drinkers, regardless of income or ethnicity.¹⁹

All references and notes can be found on our website SugaryDrinkFee.hawaii.gov



Sugary Drink Fees Work!

More than **40 countries** and **7 US jurisdictions** have sugary drink taxes.^{20,21} These locations have seen reduced sugary drink purchases and consumption^{22,28} after implementation and have generated millions of dollars to address health and socioeconomic inequities.²³⁻²⁶



POLICIES ACROSS THE NATION

LOCATION	EFFECTIVE DATE	RATE	ANNUAL REVENUE	USE OF REVENUE
Albany, California	2017	1 cent per ounce	\$300,000	General health and well-being, nutrition and health education, food access
Berkeley, California	2015	1 cent per ounce	\$1,600,000	Reduce sugary drink consumption, nutrition and health education, food access
Boulder, Colorado	2017	2 cent per ounce	\$5,000,000	Food access, physical activity, general health and well-being
Oakland, California	2017	1 cent per ounce	\$10,200,000	Parks, physical activity, food access
San Francisco, California	2018	1 cent per ounce	\$16,100,000	Food access, physical activity, general health and well-being
Seattle, Washington	2018	1.75 cent per ounce	\$23,100,000	Food access, early childhood, youth development
Philadelphia, Pennsylvania	2017	1.5 cent per ounce	\$77,700,000	Pre-k, libraries, parks, rec centers, community schools
Navajo Nation	2015	2 percent	—	Community wellness projects (24 N.N.C § 1116 (2014))



AFTER SUGARY DRINK FEES ARE IMPLEMENTED, STUDIES HAVE SHOWN:

- » Revenues intentionally invested help communities in need.^{11,25}
- » There are **no significant job losses**.^{22,27}
- » Reinvested revenues **create jobs** across multiple sectors.^{27,29}

How would it work?

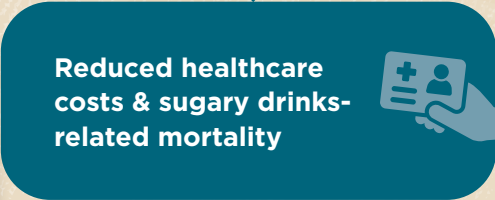
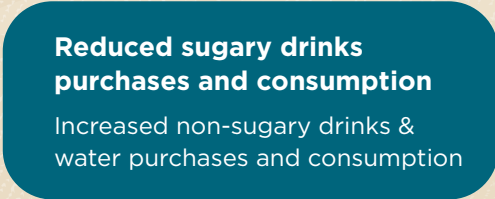
There are two benefits to a sugary drink fee. First, it improves health and reduces healthcare costs. Second, it creates revenue and supports health equity. Both lead to significant shifts in consumer habits and foster a positive outcome on the communities of Hawai'i.



TWO BENEFITS

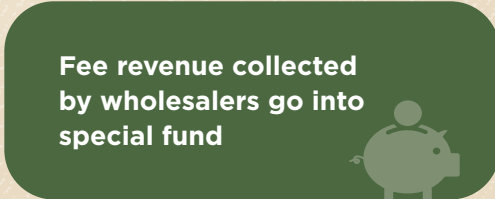
1

HEALTH & HEALTHCARE COSTS



2

THE COMMUNITY



A 2 cent per ounce fee would apply to drinks with added sugar.



12 OZ.
CAN OF SODA

ORIGINAL PRICE:
\$1.00
NEW PRICE:
\$1.24



16 OZ.
ENERGY DRINK

ORIGINAL PRICE:
\$3.65
NEW PRICE:
\$3.97



20 OZ.
SOFT DRINK

ORIGINAL PRICE:
\$1.29
NEW PRICE:
\$1.69

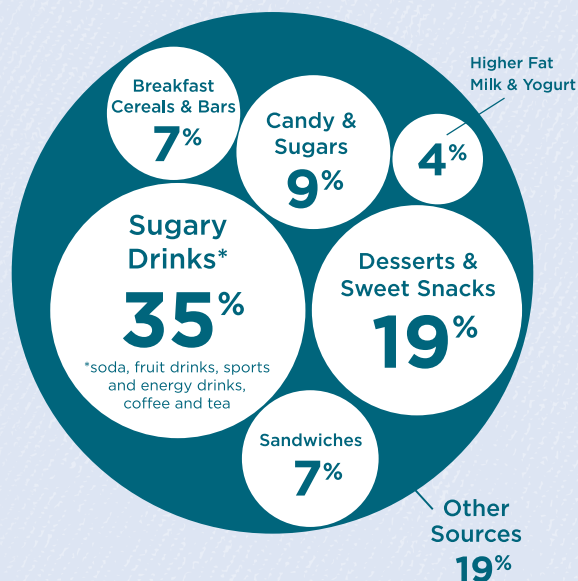


17 OZ.
BOTTLED WATER

ORIGINAL PRICE:
\$1.00
NEW PRICE:
NO PRICE CHANGE

THE PROBLEM WITH Sugary Drinks

SUGARY DRINKS ARE A MAIN SOURCE OF ADDED SUGAR IN OUR DIETS^{30,31}



Sugary drinks are beverages that contain added sugars. Sugary drinks include, but are not limited to regular soda, fruit drinks, sports and energy drinks, and sweetened coffees and teas.¹⁰

Did you know?

- » On average, adults consume about **17 teaspoons** of added sugar each day.^{30,31}
- » Despite medical recommendation, more than **54% of children** aged 1–5 years in Hawai‘i consume a sugary drink at least once a week.³²
- » Over **78% of Hawai‘i high school students** consume sugary drinks at least weekly and almost 30% do so daily.³³

The beverage industry:

- » **Misleads parents** by using pictures of fruit and words like *juice*,³⁴ *natural*,³⁴ and *100% Vitamin C*^{34,36} to make sugary drinks sound healthy.^{34,37}
- » **Targets consumers** by placing products at checkout in grocery and convenience stores.
- » **Exploits local culture** through advertising campaigns that emphasize how the drinks are "Made in Hawai‘i for Hawai‘i,"³⁵ are part of "Hawai‘i’s modern cultural fabric," and are "A Taste of Hawai‘i"³⁸ and a way to "Drink Aloha."³⁹



The beverage industry targets:⁴⁰⁻⁴²

- » Children and youth
- » Communities of color
- » Low-income neighborhoods

How much added sugar is in sugary drinks?

A 12oz serving can contain 6–10+ teaspoons of added sugar, which can exceed the recommended daily limit for men and women.



A SUGARY DRINK FEE WILL Save Lives, Save Money, and Create Revenue

Increasing the price of sugary drinks is a strategy to reduce rates of obesity and chronic disease.^{9,43} Evidence shows that a price increase can reduce consumption of sugary drinks.^{28,44,45}

Implementing a 2 cent per ounce fee on sugary drinks can help curb Hawai'i's obesity and chronic disease epidemic, reduce health care costs, and create revenue that can be reinvested to support the health of our keiki and communities.⁹

Generate
\$58.2
MILLION

A 2 cent per ounce fee would generate \$58.2 million in revenue per year to **invest in programs that will create thriving, healthier communities.**

73%

of registered Hawai'i voters support a 2 cent per ounce sugary drink fee

Revenues must be earmarked for health improvement programs for Hawai'i's keiki.⁴⁶

Ways revenue can support health equity and Hawai'i's keiki

- » Reinvest revenue in communities in need
- » Make healthy, locally-grown foods more affordable and accessible through programs like DA BUX
- » Fund universal school meals
- » Bring back oral health programs for keiki in schools
- » Implement health and physical education programs at every public school
- » Promote healthy eating programs
- » Create diabetes and obesity prevention programs



OVER 10 YEARS, A 2 CENT PER OUNCE FEE WOULD:⁹

- » Save **280 lives**
- » Save **\$59.3 million** in health care costs
- » Prevent **11,800** cases of obesity in the tenth year
- » Reduce new cases of type 2 diabetes by **12%**
- » Save **\$2.3 million** in tooth decay treatment



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