

AB 1003 (BLOOM): California Community Health Fund

POSITION: The Chamber's Small Business Roundtable voted to OPPOSE AB 1003 on July 13, 2017.

STATUS: AB 1003 was introduced by Assemblymember Richard Bloom on February 16, 2017. It was referred to the Committee on Rules on April 25, 2017.

AT-A-GLANCE

AB 1003 would impose a two cent per ounce tax on "sugar sweetened beverages" to disincentives the consumption of such beverages and to fund efforts to reduce diabetes, obesity and other related public health problems. This legislation attaches a "sin tax" to a single source of complex health issues that have many contributing factors including genetics, physical activity, and overall nutritious, not just calorie intake from sweetened beverages.

SUMMARY

AB 1003 would impose a two cent per once tax on sodas and other "sugar sweetened beverages." The intent of the legislation is to disincentives the consumption of sugary beverages and to fund efforts to reduce diabetes, obesity and other related public health problems. The tax would be charged to distributors and does exclude infant formula, natural juices, and nutrition supplements.

Establishes the California Community Health Fund (CCHF) and requires the funds to be used to support programs and interventions to...

"improve access to, and consumption of, healthy and affordable foods, water, and other beverages, reduce consumption of calorie-dense and nutrient-poor foods and beverages, facilitate physical activity and decrease sedentary behavior, improve oral health literacy and oral health, improve access to primary care, address other determinants of health disparities in California communities, and evaluate these efforts."

ANALYSIS

Restaurants and other businesses selling sodas are concerned over the financial impact of this legislation on their businesses. This legislation attaches a "sin tax" to a single source of complex health issues that have many contributing factors including genetics, physical activity, and overall nutritious, not just calorie intake from sweetened beverages. This bill endangers jobs in bottling, distribution, retail and food services.