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INTRODUCTION

Taxing sugary drinks to raise revenue and improve health is an approach that is gaining momentum across the country and around the world. With growing support from the public and policy makers, and a recent win in Berkeley, CA, this is an opportune time for other states and localities to pursue this strategy. This Roadmap for sugary drink taxes is designed to help health professionals, policy makers, and advocates learn what it takes to run a sugary drink tax campaign at the local or state level. The information is a synthesis of lessons learned and advice gleaned from interviews of people associated with campaigns over the past several years. The interviewees include coalition leaders, political consultants, campaign managers, legal analysts, public health officials, city executives, communications experts, and grassroots advocates, among others.

If, after reading this Roadmap, you are interested in receiving more in-depth information about conducting a sugary drink tax campaign, contact Action for Healthy Food.

Findings from a 2015 study show that a national penny-per-ounce soda tax would:

■ increase the shelf price of sugary drinks by 16%;
■ reduce consumption by 20%; and
■ substantially reduce body mass index among both adults and youth.

Over 10 years, the tax would result in more than $23.6 billion in healthcare cost savings.

Several organizations engaged in sugary drink tax work may offer expertise and resources for your campaign:

- Healthy Food America: www.healthyfoodamerica.org
- American Cancer Society: www.cancer.org
- American Heart Association/Voices for Healthy Kids: www.heart.org
- California Center for Public Health Advocacy: www.publichealthadvocacy.org
- Center for Science in the Public Interest: www.cspinet.org
- ChangeLab Solutions: www.changelabsolutions.org
- Public Health Law Center: www.publichealthlawcenter.org
- UConn Rudd Center for Food Policy & Obesity: www.uconnruddcenter.org
WHY TAX SUGARY DRINKS?

Sugar and health
The science is clear: Sugary drinks are bad for us. Consuming too much added sugar over time is linked to chronic diseases. Sugary drinks are the single largest source of the added sugars we consume. In fact, about 46% of added sugars come from these drinks. There is a body of clear and compelling science showing a relationship between consumption of sugary drinks and chronic diseases such as type 2 diabetes, obesity, and heart, liver, and dental diseases. Drinking just one or two 12-oz sodas per day can increase your risk of developing diabetes by 26%. These diet-related diseases are epidemic in the United States and disproportionately affect low-income people and communities of color. African Americans and Latinos are 70% more likely to have diagnosed diabetes than non-Latino Caucasians.

NOTE: Throughout this Roadmap, “sugar” is used as shorthand for any caloric sweetener that is added to beverages.

Taxes on sugary drinks
Public health experts have been informing the public for years about the dangers of consuming too many sugary drinks and imploring people to drink fewer of them. But reducing consumption can be difficult for people to do, even if they want to. One reason is that we are immersed in a sugary drink “culture” created by the beverage industry. The industry markets these beverages relentlessly, especially to children, and more so to children of color. The beverage industry makes sure sugary drinks are available everywhere and that they are inexpensive—often cheaper than plain bottled water. And, of course, the beverage makers keep customers coming back for more by playing on the natural human enjoyment of sweetness and delivering an over-abundance of it in these drinks. The average 20-ounce soda, for example, has about 16 teaspoons of sugar. This is 2–3 times more added sugar than is recommended by the American Heart Association for daily consumption.

To address this environment designed to stimulate consumption, and to accelerate declining consumption trends, public health advocates, policy makers, and others have looked to a strategy that is highly successful in reducing consumption of tobacco, even by people addicted to it: taxation. Just as taxing tobacco helps reduce tobacco use, taxing sugary drinks can help reduce excess sugar consumption.

Taxes on sugary drinks have the potential to:
- raise much-needed revenue for chronic disease prevention and other health issues;
- incentivize the beverage industry to produce more healthful options in the form of lower-sugar beverages, and incentivize distributors and retailers to stock more of these healthful options;
- bring down consumption levels and
- change peoples’ beliefs, attitudes, and norms about sugary drink consumption.
TAX EFFORTS TO DATE

Since 2009, there have been sugary drink excise tax initiatives in approximately 22 states and eight localities. Two tax bills have been filed in Congress.14 In 2014, Berkeley, CA became the first city in the nation to pass an excise tax on sugary drinks. The Berkeley ordinance15 imposes a penny-per-ounce tax on beverage distributors and requires the city to convene a panel of experts to make recommendations on how and to what extent Berkeley should establish and/or fund programs to further reduce consumption and improve health. Other recent successes include the Navajo Nation’s sales tax on sugary drinks and processed foods, implemented April 2015; the 2013 excise tax passed in Mexico on sugary drinks and high-sugar processed foods; and the 2015 excise tax in Barbados. See this table16 for a list of countries with sugary drink taxes. A case study of Mexico’s sugary beverage tax17 was released in June 2015, along with a preliminary evaluation of the first year after implementation. The evaluation found that the peso-per-liter tax, roughly a 10% increase in price, resulted in an average reduction of 6% in sugary beverage purchases.18

If you want to join this important march to better public health, follow this Roadmap to plan a successful sugary drink tax initiative in your community or state.

MEXICO18
A PESO-PER-LITER TAX LED TO
6% DECREASE IN CONSUMPTION IN THE FIRST YEAR

BERKELEY19
A PENNY-PER-OUNCE TAX GENERATED
$116,000 IN THE FIRST MONTH

A peso is roughly equal to 7 cents USD.
A liter is approximately 34 ounces.
SUGARY DRINK EXCISE TAX EFFORTS IN THE U.S. SINCE 2009

- States with excise tax campaigns (as of August 2015)
- Cities with excise tax campaigns (as of August 2015)

Richmond, CA
Berkeley, CA
San Francisco, CA
El Monte, CA

Philadelphia, PA
Baltimore, MD
Washington, DC
The factors necessary to pass a sugary drink tax will inevitably vary from place to place, but advocates now have enough experience with campaigns to identify several factors for success. While it may not be necessary to have all these factors in place before you begin, meeting as many as possible can only benefit your campaign. Ideally, begin planning 6–8 months before your campaign launch, if your advocates and political strategy are ready. Some communities may need one to two years to establish these factors. Recognize and be open to the possibility that it may take several tries to succeed in passing a sugary drink tax. Running an effective campaign has co-benefits in addition to policy change, including raising awareness about the harmful effects of sugar, building organizational credibility, and strengthening partnerships and coalitions.

PRIOR GROUNDWORK: EDUCATION AND POLICY CAMPAIGNS

Your job will be much easier if your public health department or other health-oriented community organizations have already conducted education campaigns to inform the public about the health issues associated with sugary drink consumption. If there has not already been an education campaign, in most cases, you should consider conducting one. This “ground softening” will help potential voters understand the problem you are trying to
address through the tax, allowing the campaign to focus on how and why taxes can address the issue. It is especially important that this groundwork be done in the communities most affected by the chronic diseases associated with consumption—low-income and communities of color (hereafter “priority populations”).

It is extremely important that members of priority populations, or organizations representing them, are among the initiators of your campaign. If this is not the case, reach out to them early with information specific to their communities. Include information about consumption and its health effects, and how sugary drinks are disproportionately marketed to them. Invite community leaders to share what they are seeing in their communities and have experienced personally. This may prompt them to join the campaign as leaders and coalition members. Consider partnering with leaders to hold community forums about the issue.

Find appropriate opportunities to educate elected and executive officials, especially those in leadership positions, who might sponsor or support the future bill or ballot measure. Your job will be easier if they are already familiar with the issue.

Many places have implemented excellent education campaigns, and some have shared their materials with other cities and states so you do not have to spend the resources to create your own. In addition, see the Centers for Disease Control for resources on a “Rethink Your Drink” campaign (and a Spanish version); ChangeLab Solutions for an illustrated roadmap of eight strategies for communities to reduce sugary drink consumption; Center for Science in the Public Interest for information on implementing healthier beverage choices in public places (procurement); and the Rudd Center’s Sugary Drink FACTS, for information on marketing to kids.

Ground softening can also be accomplished by leveraging the outreach and education conducted for other sugary beverage policy campaigns, such as warning labels on sugary drinks or school wellness policies. In some cases, pursuing and adopting a non-tax policy approach first will soften the ground for a subsequent tax policy campaign. For information about these and other beverage policies, see ChangeLab Solutions’ Sugar-Sweetened Beverages Playbook and the Voices for Healthy Kids Toolkit.

**THE LEGAL AUTHORITY TO TAX**

For a local campaign, you must first determine if your state law authorizes localities to impose taxes, and if so, whether any state law specifically preempts a tax (or other regulation) on sugary drinks. If taxes are permitted in localities, find out what kind of tax (e.g., sales, use, excise, fee, or other), and what processes must be used (e.g., ballot measure, legislation). Localities should be aware that a state can take away a city’s authority to tax at any time, and the beverage industry may advocate for that to happen in states in which a locality has passed a sugary drink tax. For information on the fundamentals and consequences of preemption and other words and phrases that may signal preemptive intent, see ChangeLab Solutions’ website page on Understanding Preemption.
THE RIGHT POLITICAL PATH AND CLIMATE

One of the most critical decisions you will make is which political strategy to pursue: ballot measure versus stand-alone legislation versus legislative vehicle such as the budget. To know which strategy yields the most likely path to victory, you must understand the details of each process, weigh the odds of getting the needed support at each step, and know what you must do to get the needed support and counter the opposition. This may also be a legal decision - some jurisdictions may require a tax to be adopted via a particular path.

- Assess the political climate of your state or locality to ascertain which key people will support or oppose a tax. For state campaigns, do research on the governor and legislative leadership (e.g., Speaker of the House, Senate president, majority and minority leaders, and chairs of key committees and/or their staffs) to determine the likelihood of their support or opposition. Research their public stands and voting records on public health issues and taxes, as well as any other relevant information available about them. Determine whether they have received campaign funds or donations from the beverage industry for themselves, for caucuses that benefit them, or for organizations they support. In localities, do the same for the mayor, city council (or other governing body) members, and other influential individuals or organizations. Have meetings with elected officials who are likely to be trustworthy allies to determine whether they would support the policy, what concerns they may have, and to get their ideas on strategies. These conversations will also help you identify considerations that aren’t directly related to your campaign but could have a serious impact on it, such as what else is appearing on the same ballot (other ballot measures and elected officials).

- For ballot measures, it is also important to research the public’s voting patterns (e.g., percent voting for Democratic or progressive candidates and for prior public health or tax measures, comparative turnout for general versus primary elections, and presidential versus midterm elections). For both states and localities, consider what the current and proposed budgets and budget pressures are; if the Medicaid or public health department budget is a concern, a measure that could raise funds for programs that reduce the incidence or severity of chronic disease may be more welcome.

- Conducting an exploratory poll before you launch your campaign can help you to determine the level of voter support for a tax. Polling early can help you to get buy-in from key elected officials or other influential people and organizations. Given the cost, however ($25,000–$30,000), you may want to poll closer to, or during, the political campaign, to inform your strategy and messaging.

For detailed information and consultation on planning your political strategy, contact Action for Healthy Food.
THE LEAD ORGANIZATION

The lead organization for your campaign and coalition will be responsible for:

- hiring a campaign manager, political consultant, lobbyist, grassroots organizer, treasurer, and/or media consultant;
- administering contributors’ money and other funds collected to run the campaign;
- coordinating lobbying efforts and media relations;
- leading the executive committee and implementing any changes recommended by it;
- communicating with coalition members;
- raising funds; and
- monitoring the progress of the campaign.

The lead organization should have good standing in the community or state and excellent relationships with other organizations and key policy makers. In addition, a history of successful legislative or ballot campaigns is preferable. In some cases, two organizations may be required to assemble the necessary capacities, depending on organizational nonprofit status and other factors—one that can carry out educational, research, and community organizing elements (i.e. a c3 organization) and one that conducts the political activities (e.g. a c4 organization). You may need to form a new entity, a political committee, to pursue a ballot measure. Consult with local counsel to determine the optimum structure for your campaign. Action for Healthy Food can also provide advice.

ENGAGING KEY GRASSROOTS AND COMMUNITY GROUPS

Priority populations

It is extremely important to have the participation, from the beginning and in leadership, of groups representing low-income people and communities of color. Communities of color and low-income people are most severely affected by the chronic diseases associated with sugary drink consumption and having their voices in the process is essential.

A coalition

The idea of pursuing a sugary drink tax may be initiated by a small group of people, but the advice of those interviewed was clear: The work cannot be done without a coalition and/or a list of endorsers. You will need member organizations that:

- represent a wide range of skills and sectors;
- have grassroots memberships;
- can lobby; and
- can fundraise.

An asset-mapping exercise can show you what skills, sectors, and other attributes (see Appendix A) are strongly represented in your coalition, and what gaps you need to fill.

Involvement has to be “diverse and representative of all communities, with meaningful participation, not just token.”

California advocate
The executive committee
Forming an executive committee to expedite coalition decision-making will increase your efficiency. For success, (1) ensure that the executive committee is representative of the coalition as a whole, and (2) ensure that there is consistent communication between the executive committee and the coalition, so that those not in leadership retain a sense of ownership and interest in the process and issue.

LOBBYING CAPACITY
Advocating on behalf of a sugary drink tax likely will require at least some activity that meets the federal tax law definition of “lobbying,” whether the vehicle is a legislative proposal or a ballot measure. Sugary drink tax advocacy may also trigger state or local lobbying disclosure rules. Your lead organization or a closely associated partner organization must be able to lobby, administer a lobbying budget, comply with applicable local, state, and/or federal compliance requirements, and coordinate lobbying activities with the other organizations in your coalition that can lobby. Federal tax law expressly allows a publicly supported charity (as opposed to a private foundation) exempt under Section 501(c)(3) of the Internal Revenue Code to lobby, within set limits. Other tax-exempt organizations, like social welfare organizations exempt under Section 501(c)(4), can lobby without limit.

Because of these differences, a coalition of entities with different federal tax statuses must be careful to ensure that charities participating in the coalition do not risk exceeding their lobbying limits as a result of the coalition’s lobbying activities. State and local rules on lobbying, which often impose disclosure obligations on organizations making expenditures to influence legislation, including ballot measures,31 differ from state to state;32 it is therefore important to learn your state’s and locality’s rules about lobbying so that you are able to take advantage of your coalition members’ capacity to the maximum extent, while staying in compliance with the rules. Consult with a local attorney expert in these matters for specific guidance. Action for Healthy Food can refer you to legal counsel.

See “The Key Elements of a Campaign” section for more information.

ACCESS TO LEGAL COUNSEL
Consult knowledgeable legal counsel (which might include tax, campaign finance experts, and election law) to:

- research the local government’s taxing authority;
- draft bill language in consultation with political strategists;
- clarify lobbying vs. non-lobbying activities and advise on disclosure laws;
- advise on local or state campaign finance law and procedures for ballot measures; and
- counsel the coalition should the beverage industry file a lawsuit33 during the campaign.

ABILITY TO RAISE FUNDS
You will need funds to hire campaign staff to engage in various activities. See “The Key Elements of a Campaign” section for more information.
Assuming you have enough of the factors for an effective campaign, the following is a list of the key elements to consider in structuring the campaign.

**TAX DESIGN**

There are many ways to design the sugary drink tax. How you design yours will depend on what you can legally write into a local measure, what the political climate is, what your political strategy is, and what your policymakers and coalition recommend. States typically have broader taxing authority than municipalities or counties, but local authority varies by state. The key elements of the design are outlined below. Consider including questions related to tax design in polling and other opinion research to assess support for different elements.

The tax should be an excise tax imposed on the bottler, manufacturer, or distributor. Excise taxes are applied on products before they reach the consumer. As such, they are paid by the industry responsible for producing the products that contribute to chronic diseases. Excise taxes may be easier to implement than sales or other taxes, because there are fewer manufacturers, bottlers, or distributors to collect from than there are retailers. In addition, with an excise tax, if the industry passes the increase on to retailers, this should result in a higher shelf price as is the case with tobacco taxes. This in turn may cause consumers to think twice about buying a more expensive product. An excise tax may also be an incentive for the beverage industry, distributors, and retailers to develop and stock more healthful drink options. A sales tax, in contrast, would not be reflected in the shelf price, but would only be noticed by consumers if they read the register receipt after paying. And finally, while there are existing sales taxes on sugary drinks in 34 states and Washington, D.C., they are “generally too low to have meaningful impacts on overall consumption and weight/obesity.”
Defining the tax base: Two methods

Method One: Tax on amount of added sugar
Since beverages with higher amounts of sugar are more harmful, you may choose to tax them more. The tax then becomes a tool to educate people about the adverse health effects of sugar. Lower-sugar beverages would incur lower taxes (See Table A). Taxing products this way may encourage the industry to lower the sugar content in their worst offenders; if the tax results in a higher shelf price, it may incentivize consumers to buy lower-sugar products, which would cost less.

Some considerations:

- It is recommended that the tax be placed on each teaspoon of sugar (4.2 grams) rather than per gram. Most U.S. residents are more familiar with teaspoons than grams, so using teaspoons will readily draw attention to the amount of sugar in the product in a way that everyone will understand. However, because nutrition labels use grams rather than teaspoons, the conversion is an extra step that could make implementing a tax on the amount of sugar more difficult than taxing units of volume, such as ounces.

- A variation of this method is to exempt lower-calorie beverages containing fewer than X grams of added caloric sweetener per X ounces from a tax that would be applied to those above the threshold. Using this approach, items above the threshold can be taxed in proportion to the sugar content. For example, a bill in Illinois35 exempts beverages that contain fewer than 5 grams of caloric sweetener per 12 ounces. If you use this variation, it is important to consider if businesses will be able to administer it, especially in localities. Note that this threshold approach can also apply to a tax on volume.

TABLE A: COMPARISON OF METHODS FOR DEFINING THE TAX BASE USING 1 CENT

<table>
<thead>
<tr>
<th>Product &amp; amount of sugar</th>
<th>On amount of added tsps sugar:</th>
<th>On number of ounces of beverage:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1 cent per tsp*</td>
<td>1 cent per oz</td>
</tr>
<tr>
<td>Mountain Dew (75g/18 tps. per 20oz)</td>
<td>$0.18</td>
<td>$0.20</td>
</tr>
<tr>
<td>Coca-Cola (65g/15 tps. per 20 oz)</td>
<td>$0.15</td>
<td>$0.20</td>
</tr>
<tr>
<td>Gatorade X-Factor Fruit Punch (35g/8 tsp. per 20 oz)</td>
<td>$0.08</td>
<td>$0.20</td>
</tr>
</tbody>
</table>

*This table is intended to demonstrate how lower-sugar beverages will incur lower taxes if the tax is on amount of sugar. In practice, consider a tax rate of more than 1 cent per teaspoon to raise the price sufficiently. See the ‘Tax rate’ section on page 14 for further discussion of determining an appropriate tax rate.
Method Two: Tax on beverage volume (number of ounces)
Most legislation filed thus far in states and cities has proposed a tax on beverage volume (i.e., X cents per ounce).

Some considerations

■ This may be the easiest method to implement, as the number of ounces is stated on all products.
■ This method will not necessarily encourage the beverage industry to reduce the sugar in their products unless it is coupled with the threshold variation, described above.

If you decide to do a tax on volume, this Rudd Center calculator\textsuperscript{12} will give you an estimate of the amount of revenue it could raise in your state (and some localities).

Tax rate
The tax rate will depend on the particulars of your state or locality and on the type of tax to be imposed. Factors to consider in determining the tax rate include, desired reductions in sugary drink consumption, improvements in health outcomes, and revenue generation. You may choose to introduce the initiative starting with a higher rate, such as two cents per ounce or gram, so that you have room to negotiate down if necessary. You should consider (and ask in polls) what the highest amount is that legislators and voters will approve and what you want to fund with the revenue (see “Dedicating the revenue” below).

Products to tax
Advocates recommend that sugary drinks be defined as all beverages with added caloric sweeteners, including sugary drinks that are produced from syrups and powders, with a few exceptions such as infant formula and beverages meant for oral nutritional therapy. Whether or not to tax sweetened milk remains an area of controversy. ChangeLab Solutions’ model tax legislation\textsuperscript{9} includes a discussion of this issue. The list of types of beverages to tax (see Appendix B) has not, to date, included 100% fruit juice, but accumulating scientific evidence indicates that these beverages may cause metabolic problems similar to the effects of drinks with added sugar. In addition, whether or not to tax diet drinks is an area of growing controversy, with some evidence suggesting that these drinks may contribute to type 2 diabetes\textsuperscript{36} and obesity.\textsuperscript{37} The common wisdom at this point is to exclude them but monitor the science for evidence that the harm they may cause warrants taxing them as well.

<table>
<thead>
<tr>
<th>LOCALITY</th>
<th>REVENUE ESTIMATES FOR U.S. CITIES, 2016, PENNY-PER-OUNCE*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chicago, IL</td>
<td>$133,450,493</td>
</tr>
<tr>
<td>Denver, CO</td>
<td>$29,329,942</td>
</tr>
<tr>
<td>Memphis, TN</td>
<td>$30,708,781</td>
</tr>
<tr>
<td>San Antonio, TX</td>
<td>$64,306,850</td>
</tr>
</tbody>
</table>

* UConn Rudd Center for Food Policy and Obesity, Revenue Tax Calculator
\url{www.uconnruddcenter.org/revenue-calculator-for-sugar-sweetened-beverage-taxes}
Dedicating the revenue
Experts recommend that a substantial portion of the funds be earmarked for health or chronic disease prevention because:

- revenues are needed to promote healthy eating, to combat the chronic diseases caused by sugary drinks, and/or to fund health programs for those populations most affected by the diseases;
- using the tax revenue to combat diseases caused by the taxed product will help deflect the criticism that the tax is regressive, especially if the earmarking language mentions using the funds to combat diseases in priority populations;
- if tax revenues go to the general fund rather than being dedicated to public health, the tax might be seen as a government “money grab”;
- earmarking the tax can attract allies to your coalition and secure higher levels of public support; and
- if the tax does not cause a price increase, the tax still produces a public health benefit.

Choosing what programs to target for funding is a political process that may require negotiation. It is strongly recommended that, at a minimum, the earmarking language specify that a substantial portion of the revenue go to reducing chronic diseases in priority populations. It should be noted that dedication of funds can affect your political strategy and process; you should research this and weigh the costs versus benefits while writing your strategy. For example, in some jurisdictions, dedicating the funds triggers stricter procedural rules for adoption of taxes. This is the case in California, where dedicated taxes must be approved by two thirds of voters, while non-dedicated taxes can pass with a simple majority.
Indexing tax to inflation
The tax should be adjusted annually in proportion with the Consumer Price Index. In other words, if the CPI increases by 3%, a tax of 1 cent per teaspoon would automatically increase to 1.03 cents per teaspoon.

RESEARCH

Political
If the political climate appears to be favorable as a precondition for taxes, it will be helpful to do more in-depth research on your key decision makers. Analyze who is likely to support or oppose the proposal, which supporters and opponents are influential and why, who might be your most strategic champions, and who can influence your targeted policy makers. For state campaigns in particular, before the legislative session begins try to determine the key legislators’ favorite news sources, what some of their main issues are, who supports them financially (in particular, what beverage companies or trade associations), and if they have been affected personally by a diet-related chronic disease. A useful tool is the Pathways of Influence guide.

Public health
- Assemble the facts on sugary drinks and health.
- Consult with your local or state health department as well as local universities to gather detailed data on sugary drink consumption, diabetes, obesity, heart disease, dental diseases, cancers, and other chronic disease rates, broken down by demographics, especially race/ethnicity, age, and socio economic status. It is possible to find out which areas of your city or state are most affected, and the demographics of those areas, using publicly available sources. See if your state or local public health department has a recent chronic disease report specifically on priority populations.

Public opinion polling
Polling is important for both local and state campaigns. An early poll can help you to get a reading on constituent support for a tax, get key decision makers interested, generate interest among potential donors, and know how to structure the tax, among other things. The first step is to find the right pollster and design a poll that meets your objectives and aligns with your political strategy. In general, look for a pollster who can deliver not only topline findings, but also comprehensive data and analyses to inform your strategy and message. Consider selecting a pollster who is respected by key political leaders. Polls taken immediately before or during the campaign are important to help you determine how to frame your messages, to whom messages should be targeted, and to determine if, and how, the level of support is trending. Voices for Healthy Kids has done extensive national message research and is also a resource on local campaign polling.
PREPARING FOR INDUSTRY OPPOSITION

Perhaps one of the most challenging aspects of any tax campaign is dealing with the beverage companies and their main trade association, the American Beverage Association. They have the capacity to outspend advocates to fight the passage of a tax. In response to both local and state campaigns, they will hire political consultants and lobbyists who have local and state experience; send materials in the mail; purchase TV, radio, and billboard ads; and advertise extensively in newspapers and social media. Therefore, it is important to know what they will say and do before they say and do it, not only so that you aren’t taken by surprise, but so that you can preempt their arguments when you are talking to legislators and when you go public with your campaign. Fortunately, advocates have had years to figure out the “playbook” the industry follows, and there is a rich set of resources to help you prepare.

In preparation for your campaign, research these questions about the beverage industry:

■ Are there sugary drink manufacturers, bottlers, or distributors in your locality or state? If yes, what unions do their workers belong to, if any? This is helpful to know in order to fully understand and prepare for the opposition’s tactics. In Philadelphia in 2011, for example, the beverage industry garnered media attention by recruiting union workers to pack the hearings, conduct rallies, and make the unfounded claim that a tax on sugary drinks would kill jobs.

■ If a tax campaign has already been tried in your state or locality, how much did the industry spend to oppose it? (This could be either lobbying or advertising dollars, or money spent to hire residents to work against your campaign as was the case in Berkeley and Richmond.) Who are their lobbyists?

■ What donations have the beverage companies made in your state or locality? See the Center for Science in the Public Interest’s Selfish Giving for ways the beverage industry helps fund various organizations in your community, as well as policy makers.

■ Has the beverage industry already set up an “astroturf” organization in your state or locality? This is an organization that is created by the industry to support their interests, but poses as a grassroots organization.

■ What messages is the beverage industry likely to use? The table below shows some of the more common industry arguments against a tax. How you counter these arguments will depend somewhat on the state or locality in which you are running your campaign. For in-depth information on countering industry arguments, contact Action for Healthy Food.
<table>
<thead>
<tr>
<th>INDUSTRY ARGUMENTS</th>
<th>SPECIFIC EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>OVERALL ARGUMENTS</strong></td>
<td></td>
</tr>
</tbody>
</table>
| **Taxes have bad consequences** | - **Hurt poor people.** The taxes are regressive and will disproportionately hurt low-income people who can least afford them.  
- **Cause job loss.** The taxes are job killers, which will hurt struggling families. Small retailers will lose business as well.  
- **Nanny state.** The government should not act like a “nanny” by regulating what people eat or drink. It should stay out of private behavior. |
| **Taxes won’t work** | - **No evidence.** There is no scientific evidence that a beverage tax will reduce consumption or reduce diabetes or obesity.  
- **Existing taxes don’t work.** Many states already have taxes but still have high rates of obesity.  
- **Soda consumption is down but obesity is up.** It’s wrong to blame sodas for obesity because sales of regular soft drinks have decreased while obesity rates continue to rise.  
- **Won’t solve the problem.** A tax won’t solve the obesity epidemic.  
- **“Leakage.”** A tax will encourage consumers to travel across state or city lines to buy sugary drinks at lower prices. |
| **It’s not our fault** | - **It’s people’s fault.** Why should everyone else have to bear the burden of people who make bad decisions and consume too many sugary drinks?  
- **Lack of physical activity is the real culprit.** Sugary drinks are not to blame. We all know that weight control is an issue of “calories in and calories out.”  
- **We’re part of the solution.** Taxes aren’t necessary because we’re part of the solution, not the problem. We’ve even committed to decreasing consumption of sugary drinks by 20% by 2025.  
- **Soda is not the only problem.** Obesity is caused by many factors.  
- **All calories are equal.** Calories are calories; it is unfair to target sugary drinks.  
- **Current consumption is low.** Sugary drinks are simply too small a part of the total diet to have a meaningful impact on the obesity problem. They account for just 6% of the average American’s diet.  
- **We help minorities.** Our industry has a long and proud history of supporting minorities through sponsorships, scholarships, jobs, and other programs. We should not be penalized by a tax when we clearly support these communities. |
| **Taxes are not the answer** | - **Education, not taxation.** Education, not taxation, is the key to reducing obesity and improving public health.  
- **Soda is not tobacco, part 1.** Sugary drink taxes can’t be compared to cigarette taxes. Tobacco kills, but sugary drinks can be part of a healthy diet.  
- **Soda is not tobacco, part 2.** Tobacco use has adverse consequences for non-users, such as cancer caused by second hand smoke. That’s not true for sugary drink consumption. |
FUNDRAISING

Your preliminary public education campaign may be funded by your local or state department of public health or similar organizations. Raising money for the political campaign will be a different matter. The campaign will need resources to hire campaign staff and/or consultants, to buy media if necessary, and in some cases, to hire a lobbyist. If you are soliciting private donations, this Pathways of Influence research can illuminate connections that your coalition members may use to find potential donors. For more insight into fundraising, contact Action for Healthy Food.

Fundraising for a lobbying campaign can affect the extent to which donors to a nonprofit organization can deduct their contributions. (Donors should consult their own tax advisors to determine deductibility of any given contribution.) Perhaps of greater potential concern to donors, particularly in the context of a ballot measure, are donor disclosure requirements under state or local campaign finance rules. Therefore it is crucial that every campaign be knowledgeable about the campaign finance reporting requirements particular to the locality or state. These can often be found by searching your jurisdiction’s government website for “Fair Campaign Practices.” Timely consultation with campaign finance counsel is essential and strongly recommended.

POLITICAL STRATEGY

The main strategies available to adopt a sugary drink tax are:
- ballot initiative,
- stand-alone legislation at local or state level,
- legislative adoption through the budget process.

Analyze the process for each of these strategies and what it would take to be successful—how many votes, which votes, likely support, likely opposition, and the capacity to influence targets and counter opposition. Determine which strategy has the highest likelihood of success.

If you don’t define the campaign, the opposition will do it for you. If you don’t define the opposition, they will define themselves. Seattle political consultant
Running a state versus a local campaign
Deciding whether to run a state or local campaign will depend on several factors, such as:

- whether key state and local legislators support the tax;
- whether a sufficient number of state and local voters will support the tax;
- whether there is a statewide or a local coalition in place;
- how much a state versus local campaign will cost weighed against how much you can raise;
- degree of beverage industry influence at the state versus local level;
- whether the goal is to affect a statewide population versus a smaller population; and
- whether city taxes are a crucial ground-softening step for a statewide tax.

Pursuing a ballot measure, legislation, or budget strategy
Whether you are pursuing a ballot measure, legislation, or budget strategy will also depend on several factors, such as:

- whether there is likely legislator or voter support;
- what the odds are of beating an industry-sponsored referendum to repeal a legislatively-imposed tax;
- if the goal is to make a powerful statement by using direct democracy;
- whether you can successfully get the measure on the ballot directly or referred by the legislature;
- degree of beverage industry influence over the legislature;
- how much it costs to win on the ballot versus through the legislature; and
- what else and who else is appearing on the ballot.

There are possible legal considerations in pursuing a particular strategy. There are pros and cons to each approach. For an in-depth discussion on this, contact Action for Healthy Food.

Timing considerations
Identify an appropriate timeline for implementing your political strategy. Tax measures often can only be placed on the ballot at specific times. For example, in California, a tax measure in which money goes into the general fund must correspond with elections for local government officials. Check your local and state rules to find out what applies in your situation. For ballot measures, it may be important to run the campaign in the election cycle that typically has a higher voter turnout, such as the presidential election, rather than a local election which usually has a lower turnout. Additionally, a ballot initiative typically takes one year to plan (signature gathering, verification, etc.).
COMMUNICATIONS AND MEDIA STRATEGY

Objectives
Plan your communications strategy with the following objectives in mind:

- frame the problem to be solved in ways that make your solution the rational choice, and that anticipates the opposition’s arguments;
- make the practice of marketing and over-consumption of sugary drinks feel less acceptable as “normal”;
- get and keep your “base” excited about the issue and recruit the “soft middle” (those who are undecided about taxes) to your side; and
- educate and influence elected officials, voters, and funders, and the journalists (reporters, columnists, editorialists) who will in turn inform your target audience.
Your strategy should be tailored to your context and take advantage of all forms of media, including:

- **Social**: Facebook, Twitter, and YouTube, as well as others.
- **Earned**: news stories generated by pitching stories to journalists from your local and state newspapers, inviting them to key events, meeting with editorial boards, and reaching traditional media through your social media channels.
- **Paid**: radio, TV, and newspaper ads, as well as their websites. For ballot measures, you may be able to include paid advertisements in the ballot pamphlet.
- **Owned**: your website, blogs, or email.
- **Opinion**: letters to the editor and opinion editorials.

The following is a list of other considerations.

- **Hire a professional media consultant to help you:**
  - design your communications strategy;
  - work with your designated spokespeople to keep them on message; and
  - use messages based on your community's values.

- **Use the right “messenger”** when speaking to different communities. This will sometimes be a person from the community you are addressing, but not always. It may also be someone from outside the community who is recognized and respected.

- **Engage the media early and aggressively.** If you already have good relationships with appropriate journalists (i.e., writing on issues connected to your topic), contact them first.

- **Prioritize the media outlets** that your voters/decision makers read, listen to, or view the most. These are often local, regional, and ethnic news sources, sometimes national. Assess this for print and online media, radio, and television.

- **Consider local communications research** to tailor your message to your community.

For detailed information and consultation on planning your media strategy, contact Action for Healthy Food.
ENGAGING AND MOBILIZING YOUR BEST ASSET: PEOPLE

Grassroots
For local and state legislative campaigns, it is important to activate the grassroots at strategic points (e.g., to contact their legislators about the tax, to participate in community forums, to attend hearings and rallies, and to tell their stories in hearings). Establishing a speaker bureau is an effective way to communicate your message. To win support for a ballot measure, it is important to have an organized base of grassroots volunteers to make phone calls and go door-to-door with the key messages of the campaign. You should have information from conducting asset-mapping about which coalition member organizations have a grassroots base and are willing to engage them in the campaign. And, don’t forget about engaging students and youth when possible.

For ballot measures, especially, it is important to hire field staff to organize local volunteers who will contact their neighbors either by going door-to-door or calling them. This is the key to winning. Not only will this help to win support and get out the vote, but these volunteers can answer questions about the opposition, and counter its considerable propaganda. (For more on this, see “Preparing for Industry Opposition.”)

Grasstops
“Grasstops” are local and state influential leaders or organizations. They often have relationships with key policymakers and are willing to meet with them about the tax campaign. They are respected in the community and can influence public opinion by becoming spokespeople for your campaign. Ask your coalition partners to identify the grasstops leaders they can engage from within their organizations, such as CEOs, board members, directors, and others. Endorsements from respected organizations and leaders are highly influential.

WORKING WITH GOVERNMENT OFFICIALS
For state and local legislative campaigns, it is recommended that you hire skilled lobbyists with preexisting relationships with legislators in both chambers. This will help you maintain good lines of communication with the leadership so that everyone is apprised of both progress and setbacks.

LOBBYING
See above under “Factors for Success”.
CONCLUSION

Taxing sugary drinks as a means to raise revenue for health promotion and to discourage people from overconsuming sugar is a public health strategy whose time has come. The beverage industry has created a sugary drink culture which encourages us to regularly overconsume beverages that are high in calories and have little or no nutritional value. The results cost us dearly. Science clearly shows that consuming these beverages contributes to obesity, diabetes, heart disease, and tooth decay. These diet-related diseases exact a considerable toll on individuals' lives, as well as on our healthcare system. Taxing sugary drinks is a winnable goal, as we have seen in Berkeley, CA, the Navajo Nation, Mexico, and Barbados. This Roadmap is a guide for localities and states which are considering, or have already begun, a sugary drink tax campaign. Using the advice and lessons learned from campaign veterans, the Roadmap it outlines a set of factors to improve the chances of success, along with the key elements of a tax campaign and links to a wealth of resources. We hope you find it useful, and we look forward to celebrating more sugary drink tax wins in the near future!
USEFUL WEBSITES AND OTHER MATERIALS

- Action for Healthy Food
- American Beverage Association’s Beverage Taxes
- American Heart Association’s Policy Statement, Fact Sheet, and FAQs
- Berkeley Media Studies Group’s Food and Activity Environments
- Bridging the Gap Research
- Center for Science in the Public Interest’s Sugar Drinks
- ChangeLab Solutions’ Limiting Unhealthy Foods
- Community Commons, includes local data and data visualization tools
- Food Politics Blog
- Front groups sponsored by the beverage industry (sampling)
  - National site: Americans for Food and Beverage Choice
  - Berkeley, CA: No Berkeley Beverage Tax
  - California: Californians for Food and Beverage Choice
  - Hawaii: No Hawaii Beverage Tax
  - Illinois: Illinois Coalition Against Beverage Taxes
  - San Francisco: Coalition for an Affordable City and No SF Beverage Tax
  - Texas: No Texas Beverage Tax
  - Vermont: Stop the Vermont Beverage Tax
  - Washington, DC: No DC Beverage Tax
- California Center for Public Health Advocacy’s Kick the Can
- Latino Coalition for a Healthy California
- New York City Department of Health and Mental Hygiene’s Sugary Drinks
- Prevention Institute
- Public Health Law Center’s Sugar-Sweetened Beverages
- Soda Free Summer tools and resource
- Soda Sucks
- Soda Politics: Taking on Big Soda (and Winning) by Marion Nestle
- Sugary Drink FACTS
- Sugar Science
- The Bigger Picture
- The Open Truth Campaign
- UConn Rudd Center for Food Policy and Obesity revenue tax calculator
- Voices for Healthy Kids Sugar-Sweetened Beverages Toolkit: Don’t Sugarcoat Our Future
- Websites of recent campaigns
  - Alliance for a Healthier Vermont
  - Berkeley, CA www.berkeleyvsbigsoda.com
  - Illinois Alliance to Prevent Obesity
## APPENDIX A

### SKILLS AND SECTORS FOR COALITIONS

<table>
<thead>
<tr>
<th>SKILLS</th>
<th>AREAS OF EXPERTISE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Communications and media</td>
<td>• Issue expertise&lt;br&gt;• Media relations, contacting and getting to know journalists and their outlets, especially those serving priority populations&lt;br&gt;• Message development and framing&lt;br&gt;• Social, paid, and earned media&lt;br&gt;• Spokesperson training&lt;br&gt;• Writing press releases, media pitches, op-eds, letters to editors&lt;br&gt;• Working with editorial boards</td>
</tr>
<tr>
<td>Community organizing</td>
<td>• Building new community partnerships and collaborations&lt;br&gt;• Outreach&lt;br&gt;• Strategy&lt;br&gt;• Training, including to connect grassroots to decision-makers</td>
</tr>
<tr>
<td>Education campaign planning</td>
<td>• Materials production&lt;br&gt;• Outreach&lt;br&gt;• Public health topics&lt;br&gt;• Research&lt;br&gt;• Strategy</td>
</tr>
<tr>
<td>Fundraising experience</td>
<td>• Donation solicitation&lt;br&gt;• Grant research and writing</td>
</tr>
<tr>
<td>Health expertise</td>
<td>• Dental&lt;br&gt;• Medical&lt;br&gt;• Nutrition, diet&lt;br&gt;• Public health issues, including chronic diseases</td>
</tr>
<tr>
<td>Legal expertise</td>
<td>• Ballot measures&lt;br&gt;• Lobbying issues&lt;br&gt;• Regulatory issues&lt;br&gt;• Taxing authority&lt;br&gt;• Writing legislation&lt;br&gt;• Dealing with litigation or the threat of litigation</td>
</tr>
<tr>
<td>Lobbying</td>
<td>• Knowledge of legislative procedures, systems, committee structure, etc.&lt;br&gt;• Educating public officials and gaining their support to write legislation</td>
</tr>
<tr>
<td>Political campaign planning, state and local</td>
<td>• Direct mail, voter turnout&lt;br&gt;• Issue advocacy&lt;br&gt;• Media&lt;br&gt;• Polling&lt;br&gt;• Timing&lt;br&gt;• Working with legislators</td>
</tr>
<tr>
<td>Research expertise</td>
<td>• Policy&lt;br&gt;• Polling&lt;br&gt;• Priority populations&lt;br&gt;• Science</td>
</tr>
<tr>
<td>Working with legislators</td>
<td>• Lobbying&lt;br&gt;• Knowledge of legislative procedures, systems, committee structure, etc.</td>
</tr>
<tr>
<td>SECTORS</td>
<td>EXAMPLES</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Child and youth-focused organizations</td>
<td>■ Child care, preschool, after school, out-of-school time programs</td>
</tr>
</tbody>
</table>
| Education                                    | ■ College and university officials  
■ School administrators and teachers                      |
| Health equity and priority populations       | ■ Organizations dedicated to low-income communities or communities of color generally, or specific communities  
■ Policy implementation expertise with focus on improving health equity and accountability |
| Issue-specific public health                 | ■ Cancer, heart disease, diabetes associations  
■ Physical activity  
■ Healthy, local food                                            |
| Medical and health associations              | ■ Dental  
■ Medical  
■ Nutrition  
■ Public health  
■ Hospital  
■ Pediatric  
■ Priority population-focused                                         |
| Unions                                       | ■ Teachers  
■ Nurses’ association, including school nurses  
■ Allied health  
■ Public employees                                                   |
## APPENDIX B

### TYPES OF BEVERAGES TO TAX OR EXCLUDE

#### BEVERAGE TYPES TO TAX
Any beverage with added caloric sweeteners, including:

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carbonated soft drinks (soda, pop)</td>
<td>Coke, Pepsi, Mountain Dew</td>
</tr>
<tr>
<td>Sports drinks</td>
<td>Gatorade, Powerade</td>
</tr>
<tr>
<td>Energy drinks</td>
<td>Red Bull, Monster</td>
</tr>
<tr>
<td>Sweetened teas</td>
<td>Nestea, Honest Tea, Lipton</td>
</tr>
<tr>
<td>Fruit drinks</td>
<td>SunnyD, Arizona Fruit Punch</td>
</tr>
<tr>
<td>Sweetened waters</td>
<td>vitaminWater, Propel Fitness Water</td>
</tr>
<tr>
<td>Bottled sweetened coffee</td>
<td>Starbucks</td>
</tr>
<tr>
<td>Beverages made from syrups and powders</td>
<td>Fountain drinks</td>
</tr>
</tbody>
</table>

#### BEVERAGE TYPES YOU MAY CONSIDER EXCLUDING FROM TAX

<table>
<thead>
<tr>
<th>TYPE</th>
<th>EXAMPLES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diet drinks**</td>
<td>Diet Coke, Powerade Zero</td>
</tr>
<tr>
<td>Flavored milks**</td>
<td>Chocolate milk, strawberry milk, etc.</td>
</tr>
<tr>
<td>Infant formula*</td>
<td>Enfamil, Similac</td>
</tr>
<tr>
<td>Oral electrolyte solution to prevent dehydration in infants and children*</td>
<td>Pedialyte</td>
</tr>
<tr>
<td>Oral nutritional therapy*</td>
<td>Ensure, BOOST, Carnation Instant Breakfast</td>
</tr>
<tr>
<td>100% fruit juice**</td>
<td>Orange juice, apple juice, etc.</td>
</tr>
<tr>
<td>Sweetened medication*</td>
<td></td>
</tr>
</tbody>
</table>

* Recommend excluding
** Consider excluding
The Behavioral Risk Factor Surveillance Survey conducted in your state may include sugary drink consumption questions: Behavioral Risk Factor Surveillance System: Centers for Disease Control and Prevention website.

For ballot measure information, see Bolder Advocacy, an initiative of Alliance for Justice: www.bolderadvocacy.org/tools-for-effective-advocacy/toolkits/ballot-measures/ballot-measures-overview.


Follow the Money website: www.followthemoney.org.


The Behavioral Risk Factor Surveillance Survey conducted in your state may include sugary drink consumption questions: Behavioral Risk Factor Surveillance System: Centers for Disease Control and Prevention website. www.cdc.gov/bfrss/state_info/index.htm; see also the Youth Risk Behavior Surveillance System: Centers for Disease Control and Prevention website.


The Behavioral Risk Factor Surveillance Survey conducted in your state may include sugary drink consumption questions: Behavioral Risk Factor Surveillance System: Centers for Disease Control and Prevention website. www.cdc.gov/bfrss/state_info/index.htm; see also the Youth Risk Behavior Surveillance System: Centers for Disease Control and Prevention website.


For links to every state’s lobbying activities, see State Lobbying Disclosures: Altria website. www.altria.com/About-Altria/Government-Affairs/disclosures-transparency/Pages/State-Lobbying-Disclosures.aspx; for a verifiable archive of contributions to political campaigns in all 50 states also see Follow the Money website. www.followthemoney.org.


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