

CM Herbold Proposed Amendments to Substitute CB 118965

Amendment 2– Reduce Tax Rate to 1¢ per Fluid Ounce

In order to reduce the regressive and punitive impact of the proposed sweetened beverage tax, reduces the rate from \$0.0175 per fluid ounce to a fiscally responsible \$0.0100 per fluid ounce.

Amendment 4b– Prioritize Uses of Funds

Revises the list of program areas to be funded using 80% of sweetened beverage tax revenues in the first five years and 100% in subsequent years. The revised list, in order of decreasing priority, in order to give the Council’s policy direction to the Oversight Committee:

1. Nutrition and food programs;
2. Administration of the tax;
3. Resources for the Office of Sustainability and the Environment to support the Community Advisory Board;
4. Program evaluations by the Office of the City Auditor; and
5. Evidence-based programs to support the social, emotional, educational, physical, and mental health of children.

Amendment 5b–Tax Diet Beverages

In order to reduce the racially disparate impact of the tax, consistent with the Mayor and Council’s Racial Equity Toolkit, expands the definition of “sweetened beverage” and the application of the sweetened beverage tax to include beverages sweetened with non-caloric sweeteners (“diet” beverages). The definition of “non-caloric sweetener” is amended to exclude stevia and other zero-calorie natural sweeteners, exempting them from the sweetened beverage tax.