

STAND. COM. REP. NO.

1216

Honolulu, Hawaii

MAR 29 2017

RE: S.C.R. No. 155

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred S.C.R. No. 155 entitled:

"SENATE CONCURRENT RESOLUTION REQUESTING THE LEGISLATIVE
REFERENCE BUREAU TO CONDUCT A STUDY ON THE BENEFITS OF
ESTABLISHING A SUGAR-SWEETENED BEVERAGE SURCHARGE PROGRAM TO
FUND PUBLIC HEALTH PROGRAMS IN THE STATE,"

begs leave to report as follows:

The purpose and intent of this measure is to reduce the
detrimental health effects of sugar-sweetened beverages by
requesting the Legislative Reference Bureau to conduct a study on
the benefits of establishing a 1-cent per fluid ounce surcharge on
the sale of sugar-sweetened beverages to fund public health
programs.

Your Committee received testimony in support of this measure
from the Department of Health, Department of Commerce and Consumer
Affairs, American Heart Association, American Diabetes
Association, Hawai'i Public Health Institute, Hawaii Primary Care
Association, Hawai'i Pacific Health, and fifty-four individuals.
Your Committee received comments on this measure from the
Legislative Reference Bureau.

Your Committee finds that consumption of sugar-sweetened
beverages is linked to serious health problems, including but not
limited to: weight gain, obesity, prediabetes, diabetes, tooth



decay, heart disease, and other health problems. According to a 2004 study, sugared soft drinks are the single largest contributor of caloric intake in the United States. According to nutritional experts, sugar-sweetened beverages, such as non-diet soft drinks, energy drinks, sweet teas, and sports drinks, offer little or no nutritional value and contain massive quantities of added sugars and calories. For example, a twelve-ounce can of soda contains the equivalent of approximately eight to ten teaspoons of sugar, yet the American Heart Association recommends that Americans consume no more than five to nine teaspoons of sugar per day.

Your Committee notes that a recent study found that adults who consumed about one can of soda per day had a forty-six percent higher risk of developing prediabetes. Another study found that people who consume one to two cans of sugary drinks per day have a twenty-six percent greater risk of developing type two diabetes than people who rarely have such drinks. Your Committee also recognizes the link between sugar-sweetened beverages and tooth decay, due to the acids in such beverages eroding tooth enamel. Your Committee finds that young children who drink carbonated sugar-sweetened beverages have almost double the risk of dental caries, and Hawaii has the highest prevalence of tooth decay among third graders in the nation.

Finally, your Committee finds that Americans are drinking more sugar-sweetened beverages than ever before. From 1977 to 2002, Americans doubled the amount of sugar-sweetened beverages they consumed. Your Committee further finds that economic disincentives are among the most effective tools to change behavior, as tobacco taxes have demonstrated. Your Committee concludes that it is important to study the potential benefits of a sugar-sweetened beverage surcharge, as a fee on sugar-sweetened beverages could result in positive fiscal and health impacts for many people in the State.

Your Committee has amended this measure by:

- (1) Requesting the Auditor, rather than the Legislative Reference Bureau, to conduct the study on a sugar-sweetened beverage surcharge;
- (2) Inserting language to clarify that the study will assess the benefits of a sugar-sweetened beverage surcharge on

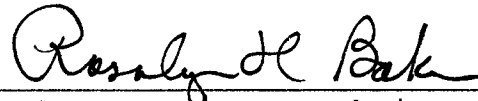


sugar-sweetened beverages sold by distributors to retailers;

- (3) Deleting references to Hawaii's Deposit Beverage Container Program and suggestions to model the sugar-sweetened beverage surcharge program after it;
- (4) Amending its title to reflect its amended purpose; and
- (5) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee concurs with the intent and purpose of S.C.R. No. 155, as amended herein, and recommends that it be referred to your Committee on Ways and Means, in the form attached hereto as S.C.R. No. 155, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



