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The Honorable Jim Wood Chair, Assembly Health Committee State Capitol, Room 6005 Sacramento, CA 95814

Re: AB 2466 (Bloom): California Community Health Fund – OPPOSE

Dear Chair Wood:

On behalf of the above business organizations in the Inland Empire, we write to express our opposition to AB 2466, which would impose on every distributor a \$0.02 per ounce tax on sugar sweetened beverages (SSBs) for the privilege of distributing bottled sugary drinks and concentrate in the state.

Effectively curbing the obesity epidemic and reversing the upward trend will require comprehensive approaches across sectors involving public and private stakeholders at the local, state, and federal level. It does not make sense to pin the blame for complex health issues on SSBs. In fact, consumption of sugar from beverages has been declining over the past decade, while rates of obesity and diabetes increase. Efforts by local governments to impose taxes on SSBs have resulted in an increase in prices without positive health outcomes. It shows that beverage taxes don't make people healthier, but education about balance can.

Proponents of taxes on SSBs often reference the success of cigarette taxes in decreasing cigarette use. However, cigarettes and SSBs differ in a number of ways. First, cigarette taxes increase prices significantly, a tactic that may be unjustifiable for SSBs given that, unlike cigarette use, moderate consumption is considered safe. Second, the many available soda substitutes may render taxes on SSBs ineffective, in that consumers will replace highly-taxed beverages with low-tax alternatives with the same health consequences. For example, in Philadelphia a beverage tax has effectively made a 12-pack of sports drinks more expensive than a 12-pack of beer.

For these reasons and others, we oppose AB 2466. If you have any questions or would like to discussion our position in greater detail, please contact Luis Portillo at 909-944-2201 or by email at lportillo@ieep.com. Thank you.

Sincerely,

Janice Moore

Apple Valley Chamber of Commerce

Bette Rader

Beaumont Chamber of

Commerce

Zeb Welborn

Chino Valley Chamber of

gl will

Commerce

Bobby Spiegel Corona Chamber of

Commerce

Gloria Martinez Fontana Chamber of

Deoria Martin

Commerce

Joshua Bonner

Greater Coachella Valley

Chamber of Commerce

YOUNG

Peggi Hazlett **Greater Ontario Business**

Council

Andrea De Leon Highland Chamber of Commerce

Cyndi Lemke Hemet San Jacinto Chamber of Commerce

Cyndi Lemke

Paul Granillo Inland Empire Economic Partnership

Shannon Shannon Hesperia Chamber of Commerce

Oscar Valdepeña Moreno Valley Chamber of Commerce

Patrick Ellis Murrieta/Wildomar Chamber of Commerce

Jennifer Walker Perris Valley Chamber of Commerce

Jennifer Walker

Monique Manzanares Pomona Chamber of Commerce

Monique Manzanares

Robert Hufnagel Rancho Cucamonga Chamber of Commerce Mark Creffield Victor Valley Chamber of Commerce

cc: Assembly Member Richard Bloom