



City Council

Staff Report

TO: Honorable Mayor and City Council

FROM: John Jansons, City Manager

DATE: October 10, 2016

SUBJECT: Presentation by Allie Bjork, RN, on Diabetes and Obesity Prevention

RECOMMENDED ACTION:

That the hear a presentation from Allie Bjork, Registered Nurse about diabetes and obesity prevention through an initiative to establish a tax levy on the sales of soda pop and other sugary beverages.

BACKGROUND and DISCUSSION:

Many communities across the nation are considering the strategies to address diabetes and obesity prevention. One such strategy gaining momentum is the adoption of local and statewide measures to tax the sales of soda pop and other sugary beverages.

This is as a similar strategy to that employed by tobacco use prevention programs across the Country. Revenue received from such tax disincentives to use a particular product are typically spent on public health costs associated with the injurious product as well as other "anti-use" campaigns, marketing, education and administrative expenses of these programs.

Ms. Bjork, wishes to further engage the Council about her efforts to garner local support to reduce sugary drink consumption, similar to the already Council supported, Re-Think Your Drink Program and is requesting the City Council support a Farmersville sales tax surcharge on sugary beverages in the City, or to have the Farmersville City Council go on record in support of a broader sales tax surcharge that she may seek at the County level.

FISCAL IMPACT:

There is virtually no fiscal impact to the City:

- a) because the City is a minimal purchaser of sugary beverages,
- b) it is likely the City would receive none of the tax surcharge revenue since it is commonplace that any revenue generated is consumed by, and diverted to, "anti use" program spending, and
- c) this is a regressive tax only paid by consumers of these products.