

Senate Committee on Assessment and Taxation
Hearing on Senate Bill 567
March 17, 2010

Chairman Donovan and members of the Committee, thank you for the opportunity to provide testimony regarding SB 567. My name is Tanya Dorf Brunner, and I am the Executive Director of Oral Health Kansas. We are a statewide coalition dedicated to improving oral health in Kansas through advocacy, public awareness, and education. We have over 1100 supporters, including dentists, dental hygienists, educators, safety net clinics, charitable foundations, and advocates for children, people with disabilities and older Kansans.

The state of Kansas is in the midst of an unprecedented economic downturn. The loss of \$1 billion over the past year has led to dramatic cuts in critical safety-net services. Some of those services are dental services for people who are on Medicaid. Funding has been eliminated for dental services for pregnant women; people with developmental and physical disabilities, traumatic brain injury; and elderly Kansans. Research shows that people who receive routine dental services are able to manage oral health problems that could lead to more serious and costly health problems, including pneumonia, strokes, and heart conditions. Eliminating preventive dental services has and will cost the state more money in addressing the serious health problems people on Medicaid experience.

Because we believe strongly that preventive dental services need to be a part of the state Medicaid plan, Oral Health Kansas urges the Committee to support the sales tax on sweetened beverages contained in SB 567. Tax calculators from the Rudd Center for Food Policy and Obesity and the Center for Science in the Public Interest estimate this tax could generate between \$126 and \$135 million for Kansas. This increase in the State General Fund could help provide fundamental dental and medical care to meet the basic needs of Kansas citizens. Under the current enhanced FMAP rate, if \$126 million SGF were matched with federal Medicaid money, the state would draw down an additional \$294 million.

In 2007, 22 of the 50 states, plus the District of Columbia, had a food sales tax exemption, but imposed a sales tax on soda. By 2008, Connecticut and South Carolina joined their ranks. An additional four states have a disfavored tax status for soda, wherein they impose a higher tax on soda than they do on food. A majority of states has decided it is good public policy to impose more sales tax on a luxury item like soda than on a necessity like food. Two of Kansas' neighboring states already impose more tax on soda than they do on food: Nebraska and Iowa.

The sweetened beverage sales tax proposal would bring Kansas in line with a majority of the states by imposing a higher rate of tax on a nonessential item. This proposal, along with the concept being contemplated by this Committee to raise the

state sales tax and use the additional tax to fund a food sales tax exemption in three years, is good public policy.

A 2008 poll of New York state residents found that 52% supported a soda tax, and that 72% supported the tax if they knew the revenue would fund health programs. The Medicaid program, and every health insurance plan, is paying for the medical services to address the problems associated with sugar beverages, including obesity, diabetes and dental decay. In an April 2009 article, the *New England Journal of Medicine* estimated \$79 billion is spent annually for healthcare related to obesity; half of these costs are borne by taxpayers through the Medicare and Medicaid programs.

In January 2010 the Executive Director of the Center for Science in the Public Interest issued a statement on a New York soda tax proposal. He said, "Taxpayers in New York State and elsewhere are already paying a heavy price for out-of-control soda consumption, since taxpayers subsidize much of the treatment of obesity, diabetes, and other expensive health problems."

Last October the *Los Angeles Times* published an op-ed promoting the notion of taxing soft drinks in order to generate revenue for health care services. The op-ed noted, "Portions are also an issue – the 8-ounce bottle of the 1950s has morphed into a 20-ounce behemoth. A regular 20-ounce soda contains 17 teaspoons of sugar and 250 calories."

The Rudd Center for Food Policy and Obesity at Yale University published a report last fall noting that US per capita consumption of calories from sweetened beverages doubled between 1977 and 2002. The chart on the next page is from a Minnesota Dental Association journal in 2001. It shows the amount of pH and sugar in many popular beverages. A low pH level in a beverage indicates it is more acidic, and therefore erodes the tooth structure.

According to the ADA, "Many dentists are concerned that their patients are consuming record numbers of sugar-filled sodas, sweetened fruit drinks, and non-nutritious snacks that affect their teeth. These items generally have little if any nutritional value and over time they can take a toll on teeth."

Every Kansan needs to have access to good, nutritional food on a daily basis. While many Kansans enjoy a soda now and then, none of us really needs one.

We urge you to support SB 567. It will provide our state the ability to reinvest in its citizens by ensuring people do not have to go without the critical dental and medical care they need. It is the right investment for Kansans at the right time. Thank you again for the opportunity to provide this testimony.

Table I.
pH and Sugar Content of a Variety of Soft Drinks and Other Popular Beverages

Beverage	pH	Sugar (gm/serving)	Beverage	pH	Sugar (gm/serving)
Coca-Cola			A&W Root Beer	4.41	31
Classic	2.53	39	Diet Rite	3.46	0
Diet	3.39	0	Orange Slice	3.12	50
Cherry	2.53	42	Squirt	2.85	40
Sprite	3.42	26	Minute Maid Orange Soda	2.8	47
Surge	3.02	46	Lipton's		
7-Up			Iced Tea	2.86	22
Regular	3.19	26	Lemon Iced Tea	2.9	33
Diet	3.67	0	Nestea Iced Tea	3.04	22
Pepsi			Gatorade		
Regular	2.49	42	Citrus Cooler	2.97	14
Diet	3.05	0	Lemon Lime	2.97	14
Mountain Dew			Snapple		
Regular	3.22	31	Plain Tea	3.93	25
Diet	3.34	0	Lemon Iced Tea	2.98	25
Dr. Pepper			Pink Lemonade	2.54	26
Regular	2.92	27	Diet Pink Lemonade	3.1	0
Diet	3.41	0	Lemonade	2.56	30
Barq's Root Beer			Diet Lemon Iced Tea	2.55	0
Regular	4.61	45	Raspberry Iced Tea	2.95	29
Diet	4.55	0			

“Sugar, rum and tobacco are commodities which are nowhere necessities of life, which are become objects of almost universal consumption, and which are therefore extremely proper subjects of taxation.” – Adam Smith, *The Wealth of Nations*, 1776