# **Sweetened Beverage Tax Community Advisory Board Meeting Notes**

	Date:	August 18, 2018			
MEETING	Time:	11:00 AM – 1:00PM			
SUMMARY	Location:	Seattle Municipal Tower, 40 Floor, Room 4096 700 Fifth Ave, Seattle 98104			
MEMBERS	Christina Wong, Dila Perera, Jen Hey, Jim Krieger, Laura Cantrell Flores, Leika Suzumura,				
PRESENT:	Mackenzie Chase, Yolanda Matthews				
MEMBERS ABSENT:	Ahmed Ali, Lisa Chen, Seat 8 – Vacant (Public Health Representative)				
GUESTS:	City Budget Office: Chris Godwin, Saroja Reddy				
	Department of Education and Early Learning: Cameron Clark, Austin Miller				
	Office of Sustainability & Environment: Bridget Igoe				
	SBT Evaluation Team: Nadine Chan (Public Health – Seattle & King County), Vanessa				
	Oddo (University of Washington), Maya Rowland (Seattle Children's), Dave Jones (Office				
	of the City Auditor)				

<b>DECISIONS</b>
MADE

- The Board unanimously approved the Executive Committee to write and send a letter to the Mayor re-stating that the 2018 and 2019 SBT revenues should be spent in accordance with the Board's recommendations and the ordinance.
- The Board unanimously approved the draft RFP letter, conditional on the final edits as discussed.
- The Board approved the meeting notes from June 20 and July 18 meetings.

	FOLLOW-UP ACTION ITEMS					
#	Ітем	RESPONSIBLE PERSON(S)	TARGET DATE			
1	Write and send letter to Mayor re: higher than projected revenues	Executive Committee, B. Igoe	ASAP			
2	Finalize and send RFP recommendation letter	B. Igoe	ASAP			
3	Finalize and send email about community input survey	L. Suzumura and C. Wong	ASAP			
4	Discuss op-ed about SBT and Board recommendations	J. Krieger and M. Chase	Last week of August			

# **Meeting Notes**

Christina Wong, Co-Chair, facilitated the meeting

# **Welcome and Introductions**

 Board members introduced themselves by sharing their names and organizations. City staff introduced themselves by sharing their names and departments.

#### **Public Comment**

None

## Sweetened Beverage Tax Evaluation – Baseline (Pre-tax) Findings

- Baseline Report
- Baseline Report Presentation

Presenters: Nadine Chan (Public Health – Seattle & King County), Vanessa Oddo (University of Washington), Maya Rowland (Seattle Children's), and Dave Jones (Office of the City Auditor)

N. Chan introduced the presenters and described their roles on the SBT Evaluation. She highlighted the scale and scope of the SBT Evaluation, which included over 2,300 people and over 450 stores in the various studies.

# Impact of beverage tax on norms and attitudes

V. Oddo presented key baseline results from the Norms and Attitudes survey, which measured the following domains in Seattle and a comparison area: tax support, perceived economic impacts of the tax, perceived health impacts of the tax, and perceived healthfulness of sugary beverages.

# Key results:

- 58% approved of the tax as described
- 58% believed tax will improve health and well-being of children
- 79% did not think that the tax would negatively impact their own finances
- 53% did not think the tax would negatively affect small businesses
- 82% thought that drinking sugary beverages causes serious health effects

The results varied by low-income versus higher income respondents.

## Comment from a Board member:

- Slide 6 Education isn't listed in the table of sample characteristics, but this seems relevant to the topic, and Seattle is highly educated.
  - o Response: We do have that information, but we didn't sample on education.

# Impact of the beverage tax on retail prices of sugary beverages

V. Oddo also presented key baseline results from the in-store audit, which collected information on the prices and promotions of different types of beverages sold in Seattle and a comparison area. The baseline data showed that the prices of taxed and untaxed beverages were similar in Seattle and the comparison area.

## Question from Board member:

- Slide 12 What is meant by non-taxed sugary beverages?
  - Response: An example of a non-taxed sugary beverage is chocolate milk and other flavored milk.

# Impact of the beverage tax on child beverage consumption and diet quality

M. Rowland presented the baseline results from the Seattle Shopping and Wellness (SeaSAW) study. The objective of the baseline data collection was to establish a pre-tax estimate of: children's beverage

consumption (across taxed and non-taxed beverages); other aspects of diet quality in children; parents' beverage consumption; and child and family household and demographic characteristics. Data collection focused on recruiting children/families residing in Seattle, and for comparison purposes, children/families living in nearby cities in south King County.

A key finding in the baseline analysis was that there were some differences between City of Seattle and the comparison areas in total beverage consumption, including sugary drinks subject to the tax. Parents and children in the comparison area reported to drink more sugary drinks than parents and children in Seattle.

Pre-tax perceptions among city officials, consumers, and businesses

N. Chan presented results from the process evaluation of stakeholder perceptions. Key findings included:

- Knowledge about the SBT varied by stakeholder type
- Business participants varied on whether they would absorb or pass the tax onto clients and consumers
- Some consumers anticipated they would be less inclined to buy sugary drinks or would consider cross-border shopping
- Consumers and Councilmembers felt that the tax would have a negative financial impact on lowincome people and communities of color compared to other populations; they also felt the tax and its revenue usage had potential to reduce sugary beverage consumption and improve health for these communities

## Questions from Board members:

- Will cross-border shopping be evaluated?
  - Response: Yes, this will be evaluated in subsequent studies, and this was a topic included in the Norms and Attitudes survey. Baseline results from the survey showed a majority of respondents didn't intend to cross border shop, even among those who live near City limits.
- When will the scanner data and analysis from University of Illinois at Chicago (UIC) be available?
  - Response: Dr. Lisa Powell, researcher at UIC, is leading this study and she is working with Nielsen to obtain the scanner data. Our intent is to come back next year to share findings of scanner data.
- Any sense of job losses due to the SBT?
  - o Response: The job loss data has a 9-month lag. Researchers are ready to analyze the data when it becomes available. That analysis will be done next year.
- How public is this information from the baseline evaluation?
  - Response: The full report and presentation are publically available and were presented to Council on August 8.
- How might the City improve its SBT communications, based on your findings, especially with business?
  - Response: We found that retailers wanted to know whether or not the SBT would be passed on to them, but this is a business decision of the distributions and the City doesn't have this information.
- In the Norms and Attitudes survey, were there were differences by race/ethnicity in people's perception of the tax and its impact on communities of color?

 Response: There were lower reports of support for the SBT among non-white survey respondents, but the differences were not statistically different.

# **City Budget Office Updates**

Presenters: Chris Godwin and Saroja Reddy

C. Godwin thanked the Board for sending its recommendations and said that staff in CBO and the Mayor's office are taking the recommendations under consideration for 2018 and 2019. Other updates:

- Regarding 2018 budget, staff are drafting a budget ordinance that would move the \$2.77M setaside funds into the relevant departments in accordance with the Board's 2018 recommendations. There is no firm timeline yet on when this ordinance would be introduced to Council – this depends on the Council committee schedule.
- Regarding the 2019 budget, CBO staff are meeting with the Mayor's office next week.

#### Question from Board members:

- The City's revenue estimate for 2018 funds generated by the SBT was low. What's the plan for allocating the additional revenues?
  - o Response: To be determined. The first step is to revise projections.

# **Board Discussion and Decision**

The Board unanimously approved the Executive Committee to write and send a letter ASAP to the Mayor re-stating that the 2018 and 2019 SBT revenues should be spent in accordance with the Board's recommendations and the ordinance.

The Board also discussed the merits of drafting an op-ed about the SBT and to highlight the Board's recommendations. J. Krieger and M. Chase will connect the last week of August to discuss further.

#### **Review and Finalize RFP Recommendations**

The Board reviewed a draft letter of its RFP recommendations and discussed some final edits. The Board unanimously approved the letter, conditional on all edits discussed.

# **Community Engagement – next steps**

L. Suzumura presented a draft email, intended for community partners, highlighting key results from the Board's community input survey and describing how the results were used to inform the Board's budget recommendations. They invited D. Perera and M. Chase to add any details about the follow-up survey directed at early learning stakeholders.

There were no initial comments on the draft email.

C. Wong invited additional Board members to join the Community Engagement workgroup, which will work on developing some potential community engagement plans for 2019. J. Hey volunteered to join this workgroup.

## **Start debriefing CAB processes**

Now that the Board is nearly one year into its existence, the Executive Committee would like for the Board to debrief its processes and practices. The goal for today is just to start identifying topics/issues that the Board would like to discuss and assess this Fall as part of an annual strategic planning retreat.

Topics suggested by Board members for a Board self-evaluation:

- Process for developing recommendations, including tools, methods, approach, level of discussion (what worked well, what could have been better)
- The Board's budget recommendation "focus areas"
- Meetings (e.g. participation options, like phone; frontloading the meeting schedule)
- Bylaws do these need updating?
- Fill the empty seat

# Approve Board meeting notes from June 20 and July 18

The Board approved the meeting notes from the June 20 and July 18 meetings. There were no changes or edits.

The meeting adjourned at 1:00 PM.