Month xxx, 2021

The Honorable Autumn Burke

Chair, Assembly Committee on Revenue and Taxation

State Capitol, Room 5152

Sacramento, CA 95814

**Re: AB 1163 (Nazarian): Local government: taxation -- SUPPORT**

 **As Introduced March 12, 2021**

Dear Chair Burke:

[Organization name] writes in support of AB 1163 (Nazarian), which would repeal the current law that preempts local governments from imposing future taxes on sugary drinks.

Big Soda utilizes an exploitative and regressive business tactic by spending millions each year specifically marketing certain communities more than others - getting them hooked on sugary drinks as kids and making customers for life. In fact, Black children see more than twice as many television ads for sugary drinks than their White peers.Coca-Cola alone spent nearly $38 million in 2017 on advertisements directed toward Spanish-language TV and ads aimed at youth.These appalling business tactics profit Big Soda and foster an environment that promotes poor health, and in turn negatively impacts the lives of Black and Latino children.

The COVID-19 pandemic has significantly and severely reduced local revenues throughout California. In addition to the large fiscal impact of the epidemic, the health impact has disproportionately impacted Black and brown Californians. Four California cities have already passed sugary drink excise taxes (San Francisco, Oakland, Berkeley, and Albany), raising millions of dollars needed to invest back into our most impacted communities, like Black and Latino youth, to improve their life and health outcomes.

Additionally, there is a direct correlation between diabetes rates and sugary drink consumption [Insert information about your organization and how this bill aligns with your mission/priorities]

In 2018, the Legislature imposed a statewide ban on all California local governments from adopting sugary drink taxes through 2030. The ban was driven by pressure from special interests and business groups and left local governments, and the communities they serve, without this possible revenue option. As a result, locally approved sugary

taxes are off the table in California, regardless of the need or interest within the community.

Repealing the preemption is not a tax, rather it would restore the right for local governments to consider all tools in their toolbox to address health inequities and fund critical services. AB 1163 would restore the right of cities and counties, and their voters, to impose future taxes on sugary drinks should they desire to do so.

For these reasons, [organization name] supports AB 1163 (Nazarian) and respectfully asks for an AYE vote in the Assembly Revenue and Tax Committee.

Sincerely,

[Signature]

[Name, position]