

1 SENATE JOINT MEMORIAL 6

2 **53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018**

3 INTRODUCED BY

4 Gerald Ortiz y Pino

5
6
7
8
9
10 A JOINT MEMORIAL

11 REQUESTING THE LEGISLATIVE FINANCE COMMITTEE TO CONDUCT A STUDY
12 OF THE POTENTIAL BENEFITS IN REVENUE AND PUBLIC HEALTH OUTCOMES
13 AND THE POTENTIAL NEGATIVE IMPACTS OF A TAX ON SUGAR-SWEETENED
14 BEVERAGES IN THE STATE.

15
16 WHEREAS, according to the department of health, the
17 overall diagnosed diabetes rate in New Mexico during 2014 to
18 2016 was ten and seven-tenths percent; and

19 WHEREAS, according to the department of health, between
20 2014 and 2016, the percentage of diabetes among American
21 Indians in New Mexico was nineteen and seven-tenths percent
22 and, among Hispanics in New Mexico, it was thirteen and six-
23 tenths percent; and

24 WHEREAS, according to a recent study by the trust for
25 America's health entitled "The State of Obesity: Better

.209071.2

underscoring material = new
~~[bracketed material] = delete~~

underscoring material = new
~~[bracketed material] = delete~~

1 Policies for a Healthier America", New Mexico now has the
2 thirty-second highest adult obesity rate in the United States;
3 and

4 WHEREAS, New Mexico's adult obesity rate is currently
5 twenty-eight and four-tenths percent, which indicates a
6 precipitous rise in obesity rates, from the seventeen and four-
7 tenths percent rate in 2000 and the eight and one-tenth percent
8 rate in 1990; and

9 WHEREAS, the "State of Obesity" study indicates that
10 nearly one in four, or twenty-four and nine-tenths percent, of
11 children aged ten to seventeen years in New Mexico are obese;
12 and

13 WHEREAS, in 2010, a team at the national institutes of
14 health linked sugar-sweetened beverages with long-term weight
15 gain, type two diabetes mellitus and cardiovascular risk,
16 citing a number of other epidemiological studies; and

17 WHEREAS, currently, in New Mexico, sugar-sweetened
18 beverages are not subject to the state's gross receipts tax as
19 they are considered to be "food"; and

20 WHEREAS, while evading taxation, sugar-sweetened beverages
21 wreak havoc on the health of many New Mexicans, with taxpayers
22 paying through medicaid and other public-payer sources to
23 address increased rates of diabetes, obesity and other health
24 challenges arising from the consumption of sugar-sweetened
25 beverages; and

.209071.2

underscored material = new
~~[bracketed material] = delete~~

1 WHEREAS, the world health organization in October 2016
2 called for jurisdictions to tax sugar-sweetened beverages in
3 hopes that paying higher costs for these beverages would
4 inhibit consumption and thus reduce obesity and diseases
5 related to over-consumption of sugar; and

6 WHEREAS, the world health organization recommended a
7 twenty percent increase in the cost of sodas and related sugar-
8 sweetened beverages as it believes that this would lead to a
9 twenty percent reduction in consumption; and

10 WHEREAS, the proceeds of a tax on sweetened beverages
11 could be used to offset the costs of obesity, diabetes and
12 other public health challenges that New Mexico faces; and

13 WHEREAS, sugar-sweetened beverage taxes have been enacted
14 in Philadelphia, Pennsylvania; Boulder, Colorado; Berkeley, San
15 Francisco, Oakland and Albany, California; and Cook county in
16 Illinois as well as in France, Hungary, Ireland, Mexico and the
17 United Kingdom; and

18 WHEREAS, a study published by the instituto nacional de
19 salud publica, Mexico, and the university of North Carolina has
20 shown decreases in soda purchases in Mexico pursuant to
21 Mexico's sweetened-beverage tax; and

22 WHEREAS, in 2014, voters in the city of Berkeley,
23 California, levied a penny-per-ounce tax on soda and other
24 sugary drinks in order to inhibit sugar-sweetened beverage
25 consumption and address increased rates of diabetes and

.209071.2

underscored material = new
[bracketed material] = delete

1 obesity; and

2 WHEREAS, the *American Journal of Public Health* reported in
3 October 2016 that after Berkeley's sweetened-beverage tax took
4 effect in March 2015, residents of two low-income neighborhoods
5 reported drinking twenty-one percent less of all sugar-
6 sweetened beverages and twenty-six percent less of soda than
7 they had the year before;

8 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
9 STATE OF NEW MEXICO that the legislative finance committee be
10 requested to conduct a study of the potential revenue from
11 imposing a sugar-sweetened beverage tax on the distributors of
12 sugar-sweetened beverages; and

13 BE IT FURTHER RESOLVED that the legislative finance
14 committee be requested to investigate the most effective way to
15 impose a tax on sugar-sweetened beverages; and

16 BE IT FURTHER RESOLVED that the legislative finance
17 committee be requested to determine the health benefits of a
18 tax on sugar-sweetened beverages as well as any potential
19 negative effects of a tax on sugar-sweetened beverages; and

20 BE IT FURTHER RESOLVED that staff for the legislative
21 finance committee be requested to report its findings and
22 recommendations by October 1, 2018 to the governor, the
23 legislative finance committee, the legislative health and human
24 services committee and the department of health; and

25 BE IT FURTHER RESOLVED that copies of this memorial be

.209071.2

underscoring material = new
~~[bracketed material]~~ = delete

1 transmitted to the governor, the chair and vice chair of the
2 legislative finance committee, the director of the legislative
3 finance committee, the chair and vice chair of the legislative
4 health and human services committee and the secretary of
5 health.

6 - 5 -
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25