

RESOLUTION

Subject: Soda Tax

Submitted by: Greater Louisville Medical Society

Referred to: Reference Committee

WHEREAS, at least 11 regions in the United States has some form of sugar tax, including Tennessee and West Virginia¹; and

WHEREAS, Arkansas raised \$13 million from its soda tax in its first year of inception in the early 1990's that directly funded the Medicaid Trust Fund and grew to \$267 million in 2013^{1,2}; and

WHEREAS, diabetes is a public health epidemic in our nation. Kentucky ranks 8th highest in diabetes prevalence. In 2017, Kentucky had the 5th highest death rate in the nation due to diabetes and was the 3rd leading cause of death in African Americans. Diabetes cost Kentucky \$5.16 billion in total medical expenditures, lost work and wages in 2017³; and

WHEREAS, complications of diabetes includes heart disease, stroke, blindness, kidney failure, lower-limb amputation and ketoacidosis³; and

WHEREAS, a study performed by the United States Department of Agriculture in 2016 found that across all households, more money was spent on sugary drinks in both SNAP and non-SNAP households⁴; and

WHEREAS, a soda tax may prevent consumers from purchasing sugary drinks or, otherwise, will help fund Medicaid to treat diabetes and its complications; now, therefore, be it

RESOLVED, that the KMA support a soda tax imposed upon soft drink manufacturers and distributors in which a "Medicaid Trust Fund" would be created to receive all proceeds.

References:

¹ <https://www.thetaxadviser.com/issues/2017/jun/soda-taxes.html>

² <https://talkbusiness.net/2013/07/jim-guy-tucker-for-two-decades-the-soda-tax-has-served-arkansaswell/>

³ <https://chfs.ky.gov/agencies/dph/dpqi/cdpb/dpcp/diabetesfactsheet.pdf>

⁴ <https://fns-prod.azureedge.net/sites/default/files/ops/SNAPFoodsTypicallyPurchased.pdf>