



*The Illinois Public Health Institute mobilizes stakeholders, catalyzes partnerships and leads action to promote prevention and improve public health systems in order to maximize health, health equity and quality of life for the people of Illinois.*

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**Testimony of Elissa Bassler CEO, Illinois Public Health Institute  
& Executive Director, Illinois Alliance to Prevent Obesity**

Good evening. I want to thank Chairman Daley and the members of the finance committee for the opportunity to speak again tonight. My name is Elissa Bassler, and I'm the CEO of the Illinois Public Health Institute and Executive Director of the Illinois Alliance to Prevent Obesity.

As you know, on Monday, I spoke to you about the health harms of sugary drinks, and the opportunity to obtain a win-win for health in the County by investing revenues in primary prevention initiatives through the Cook County Health Department. Tonight, I'd like to address a couple of issues that were also discussed on Monday.

The first is the accusation that this is just a revenue proposal disguised as a health policy proposal, since the proposed tax is on both sugary and diet drinks.

Of course it's a revenue proposal, designed to help fill a budget gap. But as I've said, it's a HEALTHY source of revenue.

First – even though all drinks are taxed, we expect that it will still have an effect on sugar consumption. Maybe not as much as if only sugary drinks were taxed, but still substantial. We looked at a study done at the state level in 2011 by Dr. Frank Chaloupka, an economist at UIC. He found that consumption would drop 24% if only sugary drinks were taxed. However, if the state taxed all drinks, consumption of sugary drinks would still drop 16%, which is a significant amount.

In other words, when all drinks are taxed, the impact on health is still 67% of the impact that is achieved when only sugary drinks are taxed. I've provided a fact sheet that shows these numbers.

The second, and related concern was the purported job loss that could ensue from the tax. As a healthy revenue proposal, one of its main purposes is to save county jobs.

What economists tell us about the job loss scare tactics of industry is that industry imagines that somehow, the money families don't spend on drinks because of a tax just disappears from the economy. But that actually leaves out half the story. If I forgo buying a two liter bottle of soda because of the tax, I will use that money to buy something else. Maybe bottled water, or milk, or other products in the grocery store. In fact, a study in Berkeley found that sales of water increase as soft drink consumption goes down. The manufacture and delivery of the items I substitute for soft drinks also produce jobs.

At the state level, Dr. Chaloupka found that there is, in fact, a small net increase in jobs from a one cent per ounce tax on sugary drinks.

As Commissioner Morrison pointed out on Monday, the revenue to the County produces, or at least saves, hundreds of jobs.

Thus, this proposal is a healthy revenue source that will result in better health, lower costs, and no net job loss.

Thank you. I appreciate the opportunity to testify today, and would be happy to answer any questions you have.