

1 [Urging the California State Legislature and Governor to Overturn Assembly Bill No. 1838
2 Passed in 2018]

3 **Resolution urging the California State Legislature and the Governor to recognize that,**
4 **due to the COVID-19 crisis impact on municipal budgets, they should immediately**
5 **overturn Assembly Bill No. 1838 that was passed in 2018, and give California counties**
6 **back their right to improve public health and raise revenue by disincentivizing**
7 **consumption of soda and other sugary beverages.**

8
9 WHEREAS, In June 28 2018, the California State Legislature and former Governor
10 Jerry Brown enacted Assembly Bill No. 1838 (AB 1838) - Local government: taxation:
11 prohibition: groceries, also known as the “Keep Groceries Affordable Act of 2018” with a
12 retroactive effective date of January 1, 2018; and

13 WHEREAS, AB 1838 limits the ability of local governments to impose an excise tax or
14 fees on all groceries including sugary beverages essentially banning localities from
15 implementing any Sugary Sweetened Beverage (SSB) taxes; and

16 WHEREAS, Groceries, as defined by AB 1838, excludes alcoholic beverages,
17 cannabis products, cigarettes, tobacco products, and electronic cigarettes; and

18 WHEREAS, While The City of San Francisco and other cities with existing SSB taxes
19 were not affected, Sacramento, Santa Cruz, Richmond and others that were considering local
20 tax measures on sugary beverages will not be able to do so until January 1, 2031; and

21 WHEREAS, According to the Sacramento Bee, the California Governor and Legislature
22 were the victims of a type of “extortion” and “shakedown” by the American Beverage
23 Association in the summer of 2018 to implement AB 1838; and

24 WHEREAS, The Governor and Legislature were essentially forced to enact a law
25 temporarily prohibiting and preempting the ability of California cities and counties of their right

1 to enact popular sugary drink taxes despite the fact they are proven tools for cities to improve
2 public health and raise revenue; and

3 WHEREAS, The City and County of San Francisco voters passed a one-cent-per-
4 ounce soda tax (Proposition V) passed with over 61% of the vote in November 2016; and

5 WHEREAS, The City of Seattle enacted a soda tax in 2018 and has been able to use
6 that revenue this year to give \$800 in grocery vouchers to thousands of Seattle families hard
7 hit by COVID-19; and

8 WHEREAS, California voters who passed soda taxes in their cities before the
9 successful 2018 “extortion” by the American Beverage Association have improved the health
10 of their residents and given their cities millions of dollars in revenue available to stave off
11 budget cuts due to the COVID-19 induced economic downturn; and

12 WHEREAS, A majority vote of the California Legislature and a signature by the
13 Governor now would give California counties one more tool to fight the devastating health and
14 economic impacts of the COVID-19 pandemic; and

15 WHEREAS, California counties need every single tool available in the war against
16 COVID-19 and to give their residents the possibility of a healthier future; and

17 WHEREAS, The world has changed since COVID-19 and California can no longer
18 afford to handcuff counties and prevent voters from using proven tools to improve health
19 equity and public health and provide for safe, accessible and affordable drinking water; now,
20 therefore, be it

21 RESOLVED, That the City and County of San Francisco Board of Supervisors urges
22 the California State Legislature and Governor Gavin Newsom to overturn AB 1838 to allow
23 residents the right to vote on whether or not they want a sugary drink tax in their county; and,
24 be it

25

1 FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs
2 the Clerk of the Board to transmit copies of this Resolution to all State Legislators and
3 Governor with a request to take all action necessary to achieve the objectives of this
4 Resolution.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25