File No.	101096	Committee Item No.	5
•		Board Item No.	<u> </u>
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COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee:	Land Use and Economic Development	Date October 4, 2010
Board of Su	pervisors Meeting	Date October 10.2010
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	Form 126 – Ethics Commission Award Letter Application Public Correspondence	
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		October 1, 2010 October 7, 2010

An asterisked item represents the cover sheet to a document that exceeds 25 pages.

The complete document can be found in the file.

8-

[Setting Nutritional Standards for Restaurant Food Sold Accompanied by Toys or other Youth Focused Incentive Items]

Ordinance amending Article 8 of the San Francisco Health Code by adding Sections 471.1 through 471.8, to set nutritional standards for restaurant food sold accompanied by toys or other youth focused incentive items.

NOTE:

Additions are <u>single-underline italics Times New Roman</u>; deletions are <u>strike-through italics Times New Roman</u>. Board amendment additions are <u>double-underlined</u>; Board amendment deletions are <u>strikethrough normal</u>.

Be it ordained by the People of the City and County of San Francisco:

Section 1. The San Francisco Health Code is hereby amended by adding Sections 471.1 through 471.8, to read as follows:

SEC. 471.1. FINDINGS.

1. In the last thirty-five years, obesity has grown into a public health problem of epidemic proportions. Seventy-three million Americans are obese according to a 2010 report issued by the CDC-- an increase of 2.4 million from 2007. At least 17 percent of American children ages 2-19 years are now considered overweight or obese. An additional 17 percent are identifiably at risk of becoming overweight. Since the 1970s, obesity rates have doubled among preschool children ages 2-5 years and adolescents aged 12-19 years, and more than tripled among children aged 6-11 years.

2. According to the 2007 California Health Interview Survey (CHIS), 15 percent of adolescents in the greater Bay Area between 12 and 17 years of age are overweight or obese for their age, and 8 percent of children under age 12 are overweight for their age. In 2004, nearly one-fourth of San Francisco children in grades 5, 7, and 9 were overweight. By 2008, approximately 29 percent of 5th graders, 26 percent of 7th graders, and 25 percent of 9th graders in San Francisco had weights above the healthy fitness zone range of the California Department of Education fitness gram assessment.

3. Obesity, overweight, and unhealthy eating habits pose a serious risk to the health and	
welfare of San Francisco's children and adolescents. Children and adolescents who are obese or	
overweight have an increased risk of being obese or overweight as adults, with 75 percent of childr	<u>er</u>
who are overweight expected to be overweight as adults.	1

- 4. Childhood obesity also increases children's chances of experiencing chronic health problems later in life. During childhood and adolescence, obese and overweight individuals are already more likely than their peers to exhibit risk factors for heart disease (including elevated cholesterol levels, triglyceride levels, and blood pressure), risk factors for cancer, and impaired glucose tolerance, a precursor for development of Type 2 diabetes. In recent years, Type 2 diabetes in children and adolescents has risen dramatically in conjunction with increases in obesity and overweight.
- 5. The Institute of Medicine has found that the prevalence of obesity among children is so great that it may reduce the life expectancy of the current generation of children and diminish the overall quality of their lives.
- 6. Childhood obesity and overweight also have serious economic costs. Nationally, the annual costs of providing inpatient treatment to children diagnosed with obesity increased from \$125.9 million in 2001 to \$237.6 million in 2005. In addition to inpatient treatment, an estimated \$14.1 billion is spent nationally on prescription drug, emergency room, and outpatient visit expenses each year as a result of childhood obesity and overweight. About 7 percent of San Francisco Public Health

 Department's unreimbursed medical payments are attributable to obesity among San Franciscans. As children and adolescents in San Francisco become adults, their high rates of obesity and overweight are likely to contribute to the already high economic costs of healthcare and loss of productivity associated with adult obesity in San Francisco.
- 7. San Francisco has invested considerable resources to combat childhood obesity, offering a wide range of community programs. Shape Up San Francisco, a multidisciplinary government coalition, provides an annual Walking Challenge, a Safe Routes to School program to encourage

children to walk or bike to school, and the Rethink Your Drink marketing campaign to discourage soda consumption. The San Francisco WIC program also has a Healthy Eating, Active Living campaign to increase WIC families' access to fresh, healthy food. Despite these measures, childhood obesity rates continue to rise and concern San Franciscans.

- 8. San Francisco parents identify childhood obesity as a significant concern for their families.

 A 2003 survey by the Kaiser Family Foundation found that nearly all Bay Area adults said that being overweight or obese was a significant problem currently faced by children and teens, with 69 percent of adults describing it as major problem. In 2006, 21 percent of Bay Area parents in the Bay Area Parent Poll reported being somewhat or very concerned about their child's weight. The 2007 Bay Area Parent Poll showed that 26 percent of parents picked weight as their primary concern for their children—the second highest primary concern, after stress.
- 9. San Francisco families want their children to have access to healthy, nutritional food and to make healthy choices from the food available. The 2003 survey by the Kaiser Foundation found that approximately 70 percent of Bay Area parents consider nutritional value to be very important when buying food for their household. In addition, the survey showed that 42 percent of Bay Area adults felt that the food industry has a significant responsibility in addressing obesity.
- 10. San Francisco families also face limited time to obtain and prepare nutritional food, making dining out an appealing and often necessary option. The 2003 Kaiser Foundation study showed that 40 percent of Bay Area parents said that their child ate at least one fast food meal or snack on a typical day. More San Franciscans are eating out at least several times a week, with 14 percent of Bay Area parents reporting that their child did not eat dinner cooked at home on most nights in 2003. Fifty-seven percent of Bay Area parents said their child eats out at a restaurant at least once a week, and 14 percent of Bay Area parents said their child eats out at a restaurant between two and seven days a week.

- 11. The food that children and adolescents consume at restaurants has a significant impact on their risk of developing obesity, overweight, or other related health risks. Studies have shown a positive association between eating out and higher caloric intakes and higher body weights. Research shows that consumption of fast food, sugar-sweetened beverages, and other restaurant offerings by children and adolescents is frequently associated with overeating, poor nutrition, and weight gain.

 About one-third of the calories in an average American's diet come from restaurant or other away-from-home foods. Children eat almost twice as many calories (770) when they eat a meal at a restaurant as they do when they eat at home (420).
- 12. The Institute on Medicine and the U.S. Department of Health and Human Services, among other public health agencies, have developed guidelines and recommendations on healthy nutritional standards for children's meals. The food and beverages that restaurants typically serve to children and adolescents often fail to meet these accepted nutritional recommendations. Ninety eight percent of California school children have diets that do not meet the current dietary recommendations.
- 13. Restaurant foods are generally higher in those nutrients for which over-consumption is a problem, such as fat and saturated fat, and lower in nutrients required for good health, such as calcium and fiber. An analysis of nutrient quality of children's meals served by restaurant chains found that only 3 percent met USDA criteria for meals served under the National School Lunch Program.

 Children who ate restaurant food compared with those who did not consumed more total fat, more total carbohydrates, more sugar-sweetened beverages, less fiber, less milk, and fewer fruits and non-starchy vegetables.
- 14. America's rising obesity rates reflect increased intake of oils, cheese, meat and frozen deserts, as reported in the American Journal of Clinical Nutrition. Children's menus at the largest chain restaurants are dominated by burgers, chicken nuggets, macaroni and cheese, French fries, and soft drinks. The most common entree on children's menus is fried chicken in some form, available at 89 percent of the largest chain restaurants.

15.	Portion	sizes are	often i	large a	t restaurants	and	<u>people</u>	tend i	to eat	greater	quantities (of food
										_		•
when they	are serve	d more,	whethe	r or no	they are hu	ngry.						

- 16. Restaurants encourage children and adolescents to choose specific menu items by linking them with free toys and other incentive items. The Federal Trade Commission (FTC) estimated that the ten restaurant chains surveyed spent \$360 million in 2006 to acquire toys distributed with children's meals. The FTC reported that in 2006, fast food restaurants sold more than 1.2 billion meals with toys to children under 12, accounting for 20 percent of all child traffic.
- 17. Research analyzing children's meals at major restaurant chains found that many exceed the recommended caloric limits for children. And almost every high-calorie meal in the study came with toys.
- 18. Toys, games, trading cards, admission tickets, and other items given out by restaurants tend to be particularly appealing to children and adolescents. Digital incentives like computer games and on-line media similarly appeal to youth.
- 19. Research shows that parents frequently make purchases based on requests made by children, particularly for items that are geared toward children. Additionally, children and adolescents ages 4-17 years have increasing discretionary income that is frequently spent on restaurant food.
- 20. The FTC recommends that companies adopt nutrition-based standards for food and beverages targeted at children. However, as of March 2010, 35 of 45 major national restaurant chains surveyed had no policies or extremely vague policies on this issue, and the remaining 10 restaurant chains were found to have key weaknesses in their policies or the nutritional criteria used.

SEC. 471.2. TITLE AND PURPOSE.

This Ordinance shall be known as the "Healthy Food Incentives Ordinance." The intent of this Ordinance is to improve the health of children and adolescents in San Francisco by setting healthy

nutritional standards for children's meals sold at restaurants accompanied by toys or other incentive items. These standards will support families seeking healthy eating choices for their children by permitting restaurants to offer-toys and other incentive items only in conjunction with foods meeting specified nutritional criteria. This Ordinance imposes no requirements or regulations for the labeling of food or beverages or disclosure of ingredients.

SEC. 471.3. DEFINITIONS.

- (a) "City" means the City and County of San Francisco.
- (b) "Department" means the Department of Public Health.
- (c) "Director" means the Director of the Department of Public Health, or his or her designee.
- (d) "Incentive Item" means (1) any toy, game, trading card, admission ticket or other consumer product, whether physical or digital, with particular appeal to children and teens but not including "Single Use Articles" as defined in California Health & Safety Code Section 113914 as of January 1, 2009, or (2) any coupon, voucher, ticket, token, code, or password redeemable for or granting digital or other access to an item listed in (d)(1). If the incentive item consists of a food product, the food product shall be considered as part of the Meal under Section 417.4. for purposes of determining whether the Meal meets the nutritional standards.
- (e) "Meal" means any single food item or combination of Single-Food Items and beverages offered together for a single price. "Meal" includes any beverage offered for the same price.
- (f) "Restaurant" means an establishment that stores, prepares, packages, serves, vends, or otherwise prepares food for human consumption at the retail level for consumption on or off the premises. "Restaurants" include, but are not limited to, establishments: (1) primarily engaged in providing food services to patrons who order and are served while seated, and pay after eating, (2) primarily engaged in providing food services where patrons generally order or select items and pay before eating, or (3) engaged in providing take-out food services where patrons order ready-to-eat food

generally intended for immediate consumption off the premises. Restaurants may also include separately owned food facilities that are located in a grocery store but does not include the grocery store.

(g) "Single Food Item" means the complete contents of any food offered for individual sale by a Restaurant, not including beverages. Single Food Item may include, but is not limited to, a single slice of pizza, a burrito, a hamburger, french fries, or a sandwich containing a meat or other protein filling.

SEC. 471.4. INCENTIVE ITEMS WITH RESTAURANT FOOD.

- (a) Single Food Item and Meals. A Restaurant may not provide an Incentive Item linked to the purchase of a Single Food Item or Meal if the Single Food Item or Meal includes any of the following:
- (1) Excessive Calories. More than two hundred (200) calories for a Single Food ltem, or more More than six hundred (600) calories. for a Meal:
- (2) Excessive Sodium. More than four hundred and eighty milligrams (480 mg) of sodium for a Single Food Item, or more than six hundred and forty milligrams (640 mg) of sodium. for a Meal:
- (3) Excessive Fat. More than thirty-five percent (35%) of total calories from fat, except for fat contained in nuts, seeds, peanut butter or other nut butters, or an individually served or packaged egg, or individually served or packaged low-fat or reduced fat cheese; or
- (4) Excessive Saturated Fat. More than ten percent (10%) of total calories from saturated fats, except for saturated fat contained in nuts, seeds, peanut butter or other nut butters, an individually served or packaged egg, or individually served or packaged low-fat or reduced fat cheese; or: or
 - (5) Trans Fat. More than 0.5 grams of trans fat;

1	(b) Meals. A Restaurant may not provide an Incentive Item linked to the purchase of a Meal
2	unless the Meal includes the following:
3	(1) Fruits and Vegetables. 0.5 cups or more of fruits and 0.5 0.75 cups or more of
4	vegetables for a Meal unless the Meal is served as breakfast and consists of food typically
5	considered to be breakfast items. Breakfast meals must contain 0.5 cups of fruit.
6	(2). Whole Grains. Bread, such as a hamburger bun or other sandwich, that is
7	part of a Meal must be made with at least 50 percent whole wheat.
8	(c) Beverages. A Restaurant may not provide an Incentive Item linked to the separate
9	purchase of a Beverage if the Beverage includes any of the following:
10	(1) Excessive Fat. More than thirty-five percent (35%) of total calories from fat;
11	(2) Excessive Sugars. More than ten percent (10%) of calories from added caloric
12	sweeteners.
13	
14	SEC. 471.5. ADMINISTRATIVE PENALTIES AND ENFORCEMENT.
15	(a) The Director may issue administrative citations for the violation of Section-471.4. San
16	Francisco Administrative Code Chapter 100, "Procedures Governing the Imposition of Administrative
17	Fines," is hereby incorporated in its entirety and shall govern the amount of fees and the procedure for
18	imposition, enforcement, collection, and administrative review of administrative citations issued under
19	this Section.
20	(b) The Department of Public Health shall inspect restaurants for compliance with Section
21	471.4 and shall enforce Sections 471.1-471.4. The Director may adopt rules and regulations to give
22	effect to those sections.
23	
24	
25	

SEC. 471.6. PREEMPTION.

In adopting this Chapter, the Board of Supervisors does not intend to regulate or affect the rights or authority of the State or Federal government to do those things that are required, directed, or expressly authorized by federal or state law. Further, in adopting this Chapter, the Board of Supervisors does not intend to prohibit or authorize that which is prohibited by Federal or State law.

SEC. 471.7. CITY UNDERTAKING LIMITED TO PROMOTION OF GENERAL WELFARE.

In undertaking the adoption and enforcement of this Chapter, the City is assuming an undertaking only to promote the general welfare. The City does not intend to impose the type of obligation that would allow a Person to sue for money damages for an injury that the Person claims to suffer as a result of a City officer or employee taking or failing to take an action with respect to any matter covered by this Chapter.

SEC. 471.8. SEVERABILITY.

If any of the provisions of this Chapter or the application thereof to any person or circumstance is held invalid, the remainder of this Chapter, including the application of such part or provisions to persons or circumstances other than those to which it is held invalid, shall not be affected thereby and shall continue in full force and effect. To this end, the provisions of this Chapter are severable.

APPROVED AS TO FORM:

DENNIS J. HERRERA, City Attorney

By:

ALEETA M. VAN RUNKLE Deputy City Attorney

<u>LEGISLATIVE DIGEST</u> (Amendment of the Whole dated 9.27.10)

[Setting Nutritional Standards for Restaurant Food Sold Accompanied by Toys or other Youth Focused Incentive Items.]

Ordinance amending Article 8 of the San Francisco Ordinance Health Code by adding Sections 471.1 through 471.8, to set nutritional standards for restaurant food sold accompanied by toys or other youth focused incentive items.

Existing Law

The San Francisco Health Department permits all restaurants in San Francisco under Article 8 of the San Francisco Health Code. The department inspects the permitted establishments and enforces the applicable health and safety requirements.

Amendments to Current Law

The proposed legislation amends Article 8 of the San Francisco Health Code by adding Sections 471.1 through 471.8, to set nutritional standards for restaurant food sold accompanied by toys or other youth focused incentive items. The ordinance defines "Incentive Item" as meaning (1) any toy, game, trading card, admission ticket or other consumer product, whether physical or digital, with particular appeal to children and teens but not including "Single Use Articles" as defined in California Health & Safety Code Section 113914 as of January 1, 2009, or (2) any coupon, voucher, ticket, token, code, or password redeemable for or granting digital or other access to an item listed in (1).

Under the amendments to the ordinance, the measure no longer contains a separate set of nutritional standards for "Single Food Items." A restaurant may not provide an Incentive Item linked to the purchase of a Meal (including any single food item or combination of items) if the Meal includes any of the following as defined in the ordinance: excessive calories, excessive sodium, excessive fat including saturated fat, and trans fat exceeding 0.5 grams. A Meal must also contain at least 0.5 cups or more of fruits or vegetables. The amended requirement reduces the amount of vegetables required in a Meal from 0.75 cups to 0.5 cups. Also as amended a new category of items—breakfast items—are required to contain 0.5 cups of fruits. A Meal must now also contain whole grains where bread is part of the offering.

A Restaurant may not provide an Incentive Item linked to the purchase of a Beverage if the Beverage includes any of the following: excessive fats and/or sugars as defined in the ordinance.

The Department of Public Health shall enforce the ordinance and the Director of the Health Department may issue administrative citations for the violations of the ordinance under San Francisco Administrative Code Chapter 100.

Background Information

According to the 2007 California Health Interview Survey (CHIS), 15 percent of adolescents in the greater Bay Area between 12 and 17 years of age are overweight or obese for their age, and 8 percent of children under age 12 are overweight for their age. Obesity, overweight, and unhealthy eating habits pose a serious risk to the health and welfare of San Francisco's children and adolescents. Children and adolescents who are obese or overweight have an increased risk of being obese or overweight as adults, with 75 percent of children who are overweight expected to be overweight as adults During childhood and adolescence, obese and overweight individuals are already more likely than their peers to exhibit risk factors for heart disease (including elevated cholesterol levels, triglyceride levels, and blood pressure); risk factors for cancer; and impaired glucose tolerance, a precursor for development of Type 2 diabetes.

San Francisco parents identify childhood obesity as a significant concern for their families. San Francisco families also want their children to have access to healthy, nutritional food and to make healthy choices from the food available. But families face limited time to obtain and prepare nutritional food, making dining out an appealing and often necessary option. A 2003 Kaiser Foundation study showed that 40 percent of Bay Area parents said that their child ate at least one fast food meal or snack on a typical day.

The food that children and adolescents consume at restaurants has a significant impact on their risk of developing obesity, overweight, or other related health risks. About one-third of the calories in an average American's diet come from restaurant or other away-from-home foods. And according to 2003-2004 data, San Franciscans consume over one-third of their food, as measured by weight, at fast food and pizza restaurants.

The Institute on Medicine and the U.S. Department of Health and Human Services, among other public health agencies, have developed guidelines and recommendations on healthy nutritional standards for children's meals. The food and beverages that restaurants typically serve to children and adolescents often fail to meet these accepted nutritional recommendations.

Restaurants encourage children and adolescents to choose specific menu items by linking them with free toys and other incentive items. Research analyzing children's meals at major restaurant chains found that many exceed the recommended caloric limits for children. And almost every high-calorie meal in the study came with toys. Research shows that parents frequently make purchases based on requests made by children, particularly for items that are geared toward children. Additionally, children and adolescents ages 4-17 years have increasing discretionary income that is frequently spent on restaurant food.

BOARD OF SUPERVISORS

The intent of this proposed ordinance is to improve the health of children and adolescents in San Francisco by setting healthy nutritional standards for children's meals accompanied by toys or other incentive items. These standards will support families seeking healthy eating choices for their children by permitting restaurants to offer toys and other incentive items only in conjunction with foods meeting specified nutritional criteria. This legislation imposes no requirements for the labeling of food or beverages or disclosure of ingredients.

Youth Commission City Hall ~ Room 345 1 Dr. Carlton B. Goodlett Place San Francisco, CA 94102-4532



(415) 554-6446 (415) 554-6140 FAX www.sfgov.org/youth_commission

YOUTH COMMISSION MEMORANDUM

TO:

Honorable Mayor Gavin Newsom

Honorable Members, Board of Supervisors

CC:

Angela Calvillo, Clerk of the Board of Supervisors Cristine De Berry, Mayor's Deputy Chief of Staff

Nicole Wheaton, Mayor's Policy Analyst

FROM: San Francisco Youth Commission

DATE: September 27, 2010

RE:

Youth Commission support of and statement concerning proposed ordinance file no.

101096 [Setting Nutritional Standards for Restaurant Food Sold Accompanied by Toys

or other Youth Focused Incentive Items]

At its regular meeting of September 20, 2010, the Youth Commission voted 14-2 to support the following item:

Proposed ordinance file no. 101096 [Setting Nutritional Standards for Restaurant Food Sold Accompanied by Toys or other Youth Focused Incentive Items].

The Commission also made the following statement regarding this item:

Given that fifteen percent of adolescents in the Bay Area are overweight or obese, it is evident that unhealthy eating habits pose a serious threat to the health of San Francisco's youth. The majority of the Youth Commission feels that the proposed ordinance will be effective in removing the incentive to buy unhealthy fast food for San Francisco adolescents, and, thus, a powerful way to tackle the rise in childhood obesity. Several members of the Youth Commission noted during our discussion that it is unfair for the corporations who produce toys for so-called "happy meals" and for the chain restaurants that sell these toys to turn a profit by taking advantage of youth. The Youth Commission also emphasizes, however, that this ordinance can only be but one step along the road to end this epidemic-other actions, such as nutritional education, need be taken.

Some Youth Commissioners expressed concern that that this measure would be difficult to enact, as its implementation relies so heavily on citizen complaints. Several commissioners felt it unlikely that the majority of teenagers would be willing to go through the process of filing an official complaint, much less know how to do so. Similar legislation passed in Santa Clara County allocates a projected \$8,000 annually to ensure restaurants are operating in accordance with the policy, yet the San Francisco legislation is cost-neutral. And while the Youth



Commission is aware that preserving funds is important in light of San Francisco's projected budget deficits, several Youth Commissioners felt this ordinance will have a very limited effect if there is no financial backing. For this reason, the Youth Commission suggests that the proposed ordinance be amended to require that the Department of Public Health conduct a study to be presented to the Board of Supervisors after the ordinance has been in effect for a certain amount of time, which will analyze whether or not this ordinance has had its intended effect.

The Youth Commission concludes that, with this suggested amendment, the proposed ordinance has the potential to benefit the health and vitality of San Francisco Youth.

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO:

Youth Commission

FROM:

Angela Calvillo, Clerk of the Board

DATE:

August 16, 2010

SUBJECT:

REFERRAL FROM BOARD OF SUPERVISORS

The Board of Supervisors has received the following, which at the request of the Youth. Commission is being referred as per Charter Section 4.124 for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File: 101096

Ordinance amending Article 8 of the San Francisco Health Code by adding Sections 471.1 through 471.8, to set nutritional standards for restaurant food sold accompanied by toys or other youth focused incentive items.

Please return this cover sheet with the Commission's response to Gail Johnson, Clerk, city Operations and Neighborhood Services Committee.

RESPONSE FROM YOUTH COMMISSION

Date: Sept 20-2010

No Comment

Recommendation Attached

Leah ha Corix

Chairperson, Youth Commission

Youth Commission Referral

11/7/07

BOARD of SUPERVISORS



City Hall
Dr. Carlton B. Goodlett Place, Room 244
San Francisco 94102-4689
Tel. No. 554-5184
Fax No. 554-5163
TDD/TTY No. 554-5227

MEMORANDUM

TO:

Regina Dick-Endrizzi, Director

Chris Schulman, Commission Secretary

Small Business Commission, City Hall, Room 448

FROM:

Angela Calvillo, Clerk of the Board

DATE:

August 16, 2010

SUBJECT:

REFERRAL FROM BOARD OF SUPERVISORS

City Operations and Neighborhood Services Committee

The Board of Supervisors City Operations and Neighborhood Services Committee has received the following, which is being referred to the Small Business Commission for comment and recommendation. The Commission may provide any response it deems appropriate within 12 days from the date of this referral.

File: 101096

Ordinance amending Article 8 of the San Francisco Health Code by adding Sections 471.1 through 471.8, to set nutritional standards for restaurant food sold accompanied by toys or other youth focused incentive items.

Please return this cover sheet with the Commission's response to Gail Johnson, Clerk, City Operations and Neighborhood Services Committee.

Referral-Small Business Commission

7/23/09