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Standing Committee on Health

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11:00 a.m.

Good morning, Mr. Chairman and Members of the Committee. My name is Ramon Murphy, and I am the President of The Bodega Association of the United States and the proud owner of Red Apple Bodega in uptown Manhattan.

I am here because I am worried of what will become of my bodega, and all of my association members' bodegas, if a new tax on sodas and other beverages becomes law.

Bodegas are the heart of many neighborhoods. We are the corner store that you go to before work for a cup of coffee. During the day when you need a snack. And then again on your way home when you need to bring food to your family after a long day's work.

Bodegas are about convenience, community and having what you need, when you need it.

But like many other small and minority-owned businesses, these past few years have been the worst we have ever seen. Due to the economy, the bodega business is already in a lot of trouble. Every day, bodegas are shutting down in New York as a result of the current economic conditions. Last year, 137 of them went down just along Broadway from 230th St. to 197th Street and the neighborhoods are suffering because of it. Not only are communities losing a place to shop and share news, but they are losing jobs. We don't know what to else to do. Hundreds of *bodegueros* are throwing in the towel not because they want to, but because they have to. I am one of the lucky ones to have been able to keep on going. But this proposed tax may change that, and I may have to my close my doors forever.

You may ask, how can a soda tax have so much impact? The fact is, beverages make up 25% of my store's sales. It is what keeps my business going. It is what allows me to give jobs to four employees and feed my family. My workers are also like my family. I ask myself, how will a new tax affect these four individuals, each with their own families to take care of, in this tough economy? The truth is, this tax may force me to cut jobs. Four employees may become three. Three may become two. I am not sure how important a soda tax is when people are out on the street, jobless.

There are a few more things that I would like to ask you to think about when it comes to taxing soda. I know my customers. Making sodas and fruit drinks more expensive will not make my customers stop drinking them. It will, however, force them to buy off-brands or generic drinks instead of the national brands. They will replace a higher quality product with a lower quality product with the same amount of sugar and calories. I know this is not what you want to happen, but it is what will happen.

Let me paint you another picture. Suppose it is a hot day, its summertime, and someone comes into my store looking for a refreshing drink. They will see that soda now costs as much as beer. What will they choose? Again, I know this is not what you want to happen, but it is what will happen.

What we need in our neighborhoods is more education about making healthy choices, diet, and exercise. I cannot tell my customers how to be healthy alone; I can only provide them with the products they want to buy. If we teach them how to make the right choice, that is what will make a difference.

The logic behind this tax is that it will help the state fix its budget. But the reality is that it will make the economy seem even worse because it will cost jobs.

That just isn't right in a time when we're already struggling to make ends meet.

Thank you.