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Public Hearing on Food Policy in New York State

Conducted by New York State Senate Committee on Health

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# Senate Health Committee Public Hearing on Food Policy in New York State January 22, 2010

Good Morning. Thank you, Senator Duane, and members of the Senate Health Committee, for holding this important hearing today on how food policy changes can improve public health.

The obesity crisis in New York State is one of our greatest public health challenges, resulting in extensive ill health and high health care costs. Governor Paterson is advancing a strong Obesity Prevention Agenda, including an important measure in this year's Executive Budget.

The Governor's proposed legislation and policies support New Yorkers in making healthful choices for themselves and their families, reduce associated health care costs, and raise much-needed revenue for the State. I will outline these measures, but first I'd like to touch on the reasons these measures are necessary.

Currently, in New York State 60 percent of adults are obese or overweight. At least 25 percent of children and adolescents are obese or overweight. The rate increases to 32 percent among low-income and minority children.

Being overweight or obese is a significant risk factor for many chronic and debilitating conditions -- including heart disease, type 2 diabetes, hypertension, and some cancers. According to research in *JAMA*, the Journal of the American Medical Association, the impact of obesity on length of life is significant. Moderately obese individuals have an average life expectancy 2 to 5 years shorter than those who are not overweight or obese. For the severely obese, life expectancy is up to 20 years shorter.<sup>1</sup>

Health care costs related to obesity in New York are an estimated \$7.6 billion a year — with much of that cost paid for by taxpayers through Medicare and Medicaid. If the crisis is not halted and reversed, the cost of obesity is projected to quadruple by the year 2018.

The obesity crisis has occurred as a result of more than 30 years of steadily increasing calorie intake. Numerous studies have determined that the excess calories leading to obesity have come from:

- Widely available cheap, high-calorie convenience foods;
- A dramatic increase in the number of fast-food restaurants;
- Increase in serving size known as the "super-size" trend;

<sup>&</sup>lt;sup>1</sup> Fontaine KR, Redden DT, Wang C, Westfall AO, Allison DB. "Years of life lost due to obesity." *JAMA*. 2003; 289(2): 187-193.

- Marketing and advertising to encourage over-consumption; and
- A dramatic increase in intake of sugar-sweetened beverages.

At the same time, our society has become more sedentary. Of particular concern is that children are getting too little exercise and physical activity, and too much "screen time" with TV, computer, and video games.

These are significant societal changes that can be addressed most effectively with targeted policies and interventions that support and encourage individuals to make healthful choices. For example, increasing access to affordable fresh fruits and vegetables is an important strategy for reducing obesity and improving nutrition.

Since taking office in 2008, Governor Paterson has introduced eight initiatives to fight the prevalence of obesity. Four have been implemented. These are:

- A program allowing participants in the Women, Infants and Children (WIC)
   Program to use their monthly food checks at farmers markets to purchase fresh produce.
- A \$10-million revolving loan fund to increase access to healthy foods in underserved communities. The program helps finance the creation of food markets in underserved communities and increases the availability of nutritious foods in areas that lack access to fresh food markets.
- Support for the development of the Community Coalitions for Obesity Prevention Program.
- And First Lady Michele Paterson implemented the "Healthy Steps to Albany" initiative to encourage school children to engage in daily fitness activities.

Four additional initiatives of the Governor's Obesity Prevention Agenda still need to be enacted:

- An excise tax on sugar-sweetened beverages;
- Calorie posting in chain restaurants;
- A ban on the use of trans fats in restaurants.
- And legislation to increase the nutritional value of foods and beverages served in public schools.

## Tax on Sugar-Sweetened Beverages

As part of his Executive Budget issued earlier this week, Governor Paterson is proposing a one cent per ounce excise tax on syrups and soft drinks.

Several studies, including research reported in JAMA<sup>2</sup> and the Lancet<sup>3</sup>, have identified sugar-sweetened beverages as the food group most strongly linked with increased rates of obesity. Sugar-sweetened beverages are the largest contributor of calories in the American diet, representing one-third of all added sugar in the diet.

Of special concern is the increased consumption of sugar-sweetened beverages by children and adolescents. Research in the journal *Pediatrics* found a 20 percent increase in consumption of sugar-sweetened beverages among children ages 6 to 11 since the late 1980s.<sup>4</sup> In the absence of compensating exercise, an individual who consumes one can of soda a day on average adds 10 pounds a year in body weight.

It is clear that reducing consumption of sugar-sweetened beverages is critical to preventing and reducing obesity and its associated health care costs. As we've learned from New York's anti-tobacco campaign, economic incentives and disincentives are an effective way to reduce consumption. More than a year after New York substantially increased the state excise tax on cigarettes, adult smoking in the State is at the lowest rate ever recorded.

An excise tax on sugar-sweetened beverages would have a similar impact. The new excise tax would be applied to beverages that contain more than 10 calories per 8 ounces, such as soda, flavored water, sports drinks, "energy" drinks, and bottled coffee or tea. The measure would also apply to fruit or vegetable drinks containing less than 70 percent natural fruit or vegetable juice.

According to research in *The New England Journal of Medicine*, a penny per-ounce excise tax would lead to a minimum reduction of 10 percent in calorie consumption from sweetened beverages. <sup>5</sup> On average, New York's excise tax would increase the price of

<sup>&</sup>lt;sup>2</sup> Ludwig DS, Peterson KE, Gortmaker SL. "Relation between consumption of sugar- sweetened drinks and childhood obesity: a prospective, observational analysis." *Lancet*. 2001;357(9255):505-508.

<sup>&</sup>lt;sup>3</sup> Schulze MB, Manson JE, Ludwig DS, Colditz GA, Stampfer MJ, Willett WC, Hu FB. "Sugar-sweetened beverages, weight gain, and incidence of type 2 diabetes in young and middle-aged women." *JAMA*. 2004; 292(8):927-934.

Wang YC, Bleich SN, Gortmaker SL. "Increasing caloric contribution from sugar-sweetened beverages and 100% fruit juices among US children and adolescents," 1988-2004. *Pediatrics*. 2008;121(6): e1604e1614.

<sup>&</sup>lt;sup>5</sup> Brownell KD, Frieden TR. "Ounces of Prevention—the Public Policy Case for Taxes on Sugared Beverages." *New England Journal of Medicine*, NEJM.org, April 8, 2009.

sugar-sweetened beverages by an estimated 17 percent, which is expected to reduce consumption by approximately 15 percent.

With an effective date of September first, the tax will raise an estimated \$465 million in state funds during the new fiscal year, which will be used for health care programs that otherwise would have had to be cut. The tax will raise an estimated \$1 billion over a full fiscal year.

While there are necessary reductions to health care spending in this year's Executive Budget, without the additional revenue produced by this excise tax, the Governor would have been forced to recommend drastic health care reductions. The Governor's proposal will help us prevent and reduce obesity while raising much-needed revenue — a win-win proposition for New Yorkers.

#### **Calorie Posting in Restaurants**

The Governor's Calorie Posting legislation would require calorie posting on menus and menu boards of chain retail food establishments and/or retail food service stores.

In addition to the over-consumption of sugared beverages, the problem of excessive calorie consumption has been linked with an increase in eating at restaurants and fast-food outlets. Restaurant-prepared meals are generally higher in calories, fat, and salt than foods prepared at home.

Consider that in 1970, Americans spent 26 percent of their food dollars on restaurant meals, while, today, Americans spend 46 percent of their food dollars at restaurants.

Research shows when we eat out, we tend to eat more calories than when we eat at home, and we usually underestimate the number of calories in menu items. Ever-increasing portion sizes also contribute to the over-consumption of calories at restaurants.

Surveys have found that three-quarters of people want calorie content information, and half have reported using nutritional information to choose healthier menu items.

Calorie posting has already been implemented in New York City, where preliminary evidence suggests consumers are using the information to purchase 50 to 100 fewer calories per meal. There also is evidence that calorie posting has led some chains to reformulate some of their products to reduce calorie content.

Consumers are used to having complete nutritional information on the labels of foods they buy at grocery stores. The Governor's proposal would fill a gap created when the FDA did not require nutritional labeling of foods served in chain restaurants.

Calorie posting would give New Yorkers the information they need to select lower calorie options, encouraging decisions that will reduce overall calorie consumption and the risk of obesity.

## **Ban on Trans Fats**

The Governor's proposed ban on trans fats would apply to ready-to-eat foods sold or served in chain restaurants and retail food service stores.

Trans fats are processed fats that include partially hydrogenated or hydrogenated vegetable oils and shortening. About 80 percent of trans fats in the American diet are created by a process that adds hydrogen to unsaturated vegetable oils. These fats are commonly used to commercially fry foods, such as French fries and doughnuts, and in commercially baked products, such as cookies, crackers, pastries, and pies.

Consuming diets high in trans fats or saturated fats leads to increased levels of LDL-cholesterol – the "bad" cholesterol – and decreased levels of HDL-cholesterol – the "good" cholesterol, significantly increasing the risk for the number one killer in New York and the United States -- cardiovascular disease.

In addition to the human costs of illness and shorter length of life, cardiovascular disease exacts a significant financial cost. In 2007, the total cost for cardiovascular disease in New York State, including medical costs and lost productivity, was an estimated \$31.5 billion.

The elimination of trans fats in foods is not difficult, and there are acceptable substitutions that make foods taste just as good. Many cities and counties already have passed local trans fat bans, and restaurants have complied, demonstrating that this ban has not placed an undue burden on restaurants.

The benefit to public health can not be underestimated. When the FDA required manufacturers to list trans fats on Nutrition Facts food labels, many companies reformulated their packaged foods to reduce the amount of trans fats. Now it is common to see the words "trans fat free" on food labels.

Banning artificial trans fats in prepared, ready-to-eat foods will help achieve a healthier New York, reducing the risk of cardiovascular disease and related health care costs.

#### **Healthy Schools Act**

The Governor's Healthy Schools Act would ban the sale of high-fat, high-sugar junk foods in schools and improve nutritional intake at schools in other ways.

Children spend a lot of time in school and consume at least one meal a day there. By improving the quality of foods available to children in schools, we would change the environment in which food choices are made during a key part of the day.

#### **Conclusion**

Governor Paterson's Obesity Prevention Agenda provides a comprehensive approach for reducing obesity and its related health problems and health care costs. If we do not provide legislation and policies to help halt and reverse the trend, the obesity epidemic will only get worse.

New York's anti-tobacco campaign shows that when we institute a strategic program of education, interventions, and economic incentives and disincentives, we can reduce consumption and change behavior.

The results are healthier New Yorkers and less spending on health care.

Thank you for the opportunity to discuss the Governor's Obesity Prevention Agenda.

The State Health Department and I look forward to working with this Committee and the Legislature on these important health policy measures, as together we move forward to create a healthier New York.