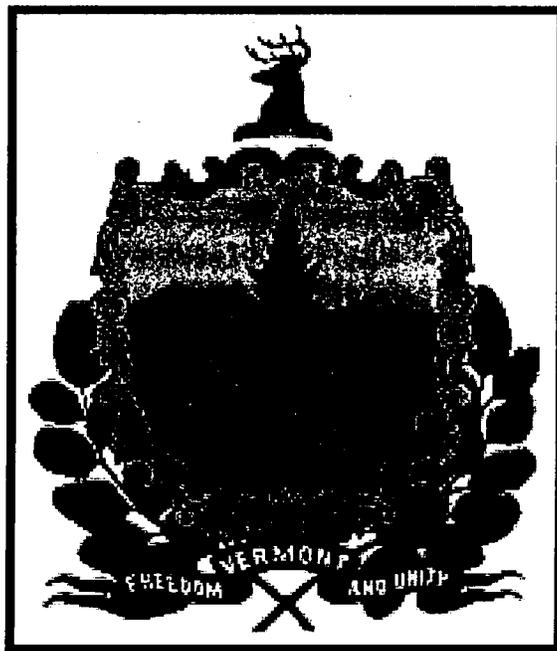


Attorney General's
Vermont Healthy Weight Initiative



Report of
Vermont Attorney General
William H. Sorrell

November 2010

**Report of Attorney General William H. Sorrell on the
Vermont Healthy Weight Initiative:
Recommendations and Plan of Action**

**I. EXECUTIVE SUMMARY -- Attorney General's
Findings and Recommendations**

A. SUMMARY FINDINGS

1. Public health experts predict that our youth will be the first generation of Americans less healthy than their parents.
2. Obesity is rapidly approaching tobacco addiction as the leading preventable public health problem facing Vermonters.
3. Related to obesity are skyrocketing diabetes rates. It is estimated that without significant lifestyle and nutritional changes, one third of Americans could be diabetic by the middle of this century.
4. The total cost of obesity, for the State of Vermont, its employers, and private citizens, is estimated to be over \$615 million per year.
5. Our rates of obesity and overweight result primarily from lifestyles that are too sedentary and diets too laden with foods high in sugar and fat.
6. A major contributor to our obesity and overweight problems is the consumption of sugar sweetened beverages (SSBs), with the average adult Vermonter annually consuming approximately 50 gallons of SSBs.
7. A one cent per ounce excise tax on SSBs would generate approximately \$30 million per year and reduce consumption approximately 20%.

B. COST AND SPENDING ISSUES

The problem of increasing rates of obesity and overweight in Vermont is much on the minds of legislators. After learning of our initiative and its potential value, the legislature, in lieu of mandating a summer study committee, directed this office to report our findings and recommendations for possible legislative action in January, 2011. (Act 128 (2009 Adj. Session), Sec. 38.)

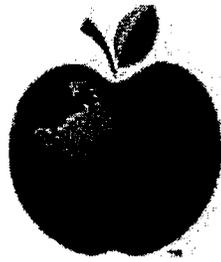
Included in the legislature's directive is a requirement that the Attorney General's Office, if revenue is to be generated as a consequence of any of our recommendations, suggest how such revenue should be expended. Being mindful that for Vermont to take more aggressive steps to combat obesity and overweight, there will need to be additional expenditures of public dollars, we do recommend the raising of revenues, and lay out in this report how such revenues might best be expended to address the problems considered in this initiative.

In this report, we first and foremost make recommendations for expenditures that fund additional efforts to address obesity and overweight in the short and longer terms. Our recommendations are conservative in amount, in order to allow for error in the revenue estimation process and to allow funding of more of the many worthwhile ideas generated by the initiative's participants, which appear at the end of this report.

C. LEGISLATIVE RECOMMENDATIONS

1. An excise tax of not less than \$.01 per ounce of SSB should be imposed to generate revenues for healthy weight initiatives and to substantially reduce the consumption of SSBs.
2. At an estimated annual cost of \$7,306,000, the state should subsidize the purchase of fruits and vegetables by WIC and 3SquaresVT (formerly food stamp) recipients.
3. In order to make more fresh foods (especially produce) available in smaller retail shops throughout the state, \$600,000 should be devoted to creating and replenishing a revolving loan fund to facilitate the purchase of modern energy efficient refrigeration equipment by food retailers.
4. An expenditure of \$210,000 would cover the provision of Electronic Benefits Transfer (EBT) terminals at all Vermont farmers' markets as well as technical assistance, promotional support and reimbursement to farmers' markets for transaction costs for three seasons.
5. At an annual cost of \$140,000, two positions should be created, one to staff of the Vermont Department of Health's Healthy Retailer Program, and one dedicated to working on wellness in communities and workplaces.
6. At an annual estimated cost of \$450,000, Vermont should subsidize school meals for low-income Vermonters, increasing participation in the school lunch program and leveraging over \$1.9 million in federal aid.
7. At an annual cost of \$231,000, three staff persons should be added at the Vermont Department of Education (DOE) to provide greater support for improvements in school wellness and nutrition.

8. A new position for an Agricultural Development Coordinator for CSAs at the Agency of Agriculture, Food & Markets, to promote and implement workplace CSAs, should be created and funded, at an annual cost of approximately \$70,000.
9. The CHAMPPs grant programs should receive \$2 million to provide grants to communities seeking to plan, build or improve local facilities and programs targeting nutrition, disease prevention, and physical activity.
10. Create a new \$1 million fund for Municipal and Regional Planning to assist communities that have obtained state designations as growth centers or designated downtowns to implement “walkability” improvements, bicycle facilities, and similar infrastructure projects.
11. At least \$2 million per year for at least 5 years should be dedicated to create and fund a self-sustaining, perpetual Fund for the Promotion of Healthy Weight, to support programs to combat obesity and overweight.
12. \$500,000 per year should be dedicated to rigorous surveillance and evaluation of state programs addressing obesity, to determine which approaches or combination of approaches are most cost effective.
13. State law related to land use development, and liability, should be amended to better integrate consideration of the public health in land use planning and development, and to increase community access to local recreational facilities and community gardens.



RUDD CENTER

FOR FOOD POLICY & OBESITY

Yale University

Obesity Related Facts for Vermont

Obesity

- 58% of Vermont adults are overweight or obese. For adults, 23% are obese (body mass index - BMI - 30 and above) and 35% are overweight (BMI 25-29.9). Vermont ranks third among the 6 New England states in prevalence of obesity.¹
- Rates of obesity among adults in Vermont increased by 60% since 1995.²
- Rates of obesity vary by income (20% in the top-income bracket vs. 29% in the lowest) and education (from 16% to 29%). Rates of obesity and overweight are particularly pronounced when considering education (53% among college graduates to about 64% among people who only finished high school).³
- Rates of childhood obesity (≥ 95 percentile for BMI by gender and age) in Vermont increased by 42% between 1999 and 2007, from 8.3% to 11.8%. Overweight and obesity prevalence (≥ 85 percentile for BMI by gender and age) among children in VT increased by 26% over the same period.⁴
- There is variation in the prevalence of obesity among adults across Vermont counties with higher rates than state average in Essex, Franklin and Grand Isle of 27-29% and lower rates in Chittenden (18%).⁵

Health Care Costs*

- Obesity-related medical expenditures in Vermont adults are \$183 million *each year*⁶
- Per capita health care costs in Vermont (\$7,506) exceed the national average by 15%.⁷
- Per capita health care spending in Vermont has grown 38% faster than the national average (7.6% vs. 5.5%).⁸
- All taxpayers are affected. Public funds such as Medicare and Medicaid pay for almost a half of all adult medical expenditures in Vermont attributable to obesity (\$52 million per year by Medicaid and \$38 million by Medicare).⁹

* All cost estimates are in inflation-adjusted 2009 dollars.

Consumption of Sugar Sweetened Beverages

- Vermont adults drink on average 1.5 soft drinks and fruit drinks per day, summing to 45 million gallons each year - or 72.2 gallons per person, including 48.8 gallons of sugar-sweetened beverages (SSBs).¹⁰
- A state excise tax of one penny per ounce on SSB would decrease consumption by about 23%.¹¹ With a state excise penny-per-ounce tax on SSBs, which is approximately a 20% increase in current prices, SSB consumption in Vermont is predicted to go down in 2010 to 24.6 million gallons, or 37.6 gallons of SSB intake per capita.¹²
- Tax revenues from a penny-per-ounce tax on these beverages in Vermont over 2010-2012 would be \$96 million and over 2010-2015 would be \$195 million.¹³

The Rudd Center for Food Policy and Obesity at Yale University is directed by Kelly D. Brownell, PhD and works with public policy officials and state attorneys general through Jennifer Pomeranz, JD, MPH (Director of Legal Initiatives), Roberta Friedman, ScM (Director of Public Policy), and Tania Andreyeva, PhD (Director of Economic Initiatives). Website: www.YaleRuddCenter.org

Contact: Jennifer Pomeranz (jennifer.pomeranz@yale.edu)

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¹ Centers for Disease Control and Prevention (CDC). *Behavioral Risk Factor Surveillance System Survey Data*. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 1995-2008. Available at <http://apps.nccd.cdc.gov/brfss/> (accessed January 11, 2010).

² *Id.*

³ *Id.*

⁴ Centers for Disease Control and Prevention (CDC). *YRBSS: Youth Risk Behavior Surveillance System*. Atlanta, Georgia: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, 1999-2007 <http://www.cdc.gov/HealthyYouth/yrbs/index.htm> (accessed January 11, 2010).

⁵ Vermont Summary of BRFSS Data by County.

<http://www.healthvermont.org/research/brfss/documents/CountyLevelResults2008.pdf> (accessed February 8, 2010)

⁶ Finkelstein E, Fiebelkorn I, Wang G. 2004. State-level estimates of annual medical expenditures attributable to obesity". *Obesity Research* 12(1): 18-24.

⁷ The Kaiser Family Foundation. Health Expenditure Data, Health Expenditures by State of Residence, Centers for Medicare and Medicaid Services, Office of the Actuary, National Health Statistics Group, released September 2007. Available at <http://www.statehealthfacts.org/> (accessed January 11, 2010).

Id.

⁹ Finkelstein E, Fiebelkorn I, Wang G. 2004. State-level estimates of annual medical expenditures attributable to obesity". *Obesity Research* 12(1): 18-24.

^D See National Health and Nutrition Examination Survey (NHANES) 2003-2006. Food Frequency Module. See also, Beverage World "State of the Industry Report" (2008).

¹ Yale Rudd Center Revenue Calculator for Soft Drink Taxes. Available at <http://www.yaleruddcenter.org/sodatax.aspx> (accessed January 11, 2010).

^E *Id.*

^B *Id.*

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