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February 27, 2020

The Honorable Anne R. Kaiser
Chair, House Ways and Means Committee
Room 131, Taylor House Office Building
Annapolis, MD 21401

RE: HB 1145 – Maryland Meals for Achievement Fund - Establishment - OPPOSE

Dear Madam Chair and Members of the Committee:

Thank you for the opportunity to appear before you today on behalf of Harford County to note our concerns with the proposed funding mechanism for the program contained within **HB 1145**, “**Maryland Meals for Achievement Fund – Establishment**” and, for the reasons noted below, respectfully request an **UNFAVORABLE** Report on this Bill by the House Ways and Means Committee.

While the goal of this Bill is laudable in its intent, the mechanism for funding this program will, we believe, prove to have a tremendous negative impact on one of Harford County’s largest economic drivers.

Frito-Lay initially became a part of our community in 1993 as a regional warehouse. Today, almost thirty years later, this location serves as Frito-Lay’s eighth – and largest – site nationwide, home to on-site manufacturing of a variety of products as well as serving as a large regional distribution presence along the East Coast. Of the eight products that would be subjected to the regressive tax in this Bill, Frito-Lay produces seven of them – four of which are produced at the Aberdeen location. Fueled by capital investments of over \$150 million since 2014, Frito-Lay’s presence has served as a major economic driver for the city of Aberdeen and for Harford County as a whole.

Frito-Lay’s success in Harford County plays a major role in not only contributing to and diversifying our local economy, but also in strengthening many Harford County – and Maryland – businesses of all sizes. Currently, Frito-Lay uses nearly 40 million tons of Maryland-grown potatoes, and is a major purchaser of products from local businesses such as McCormick Spice Company, Domino Sugar, and other Maryland-based suppliers.

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The Honorable Anne R. Kaiser

Page 2

February 27, 2020

With over 800 employees (nearly all being Maryland residents, and over 50% residing in Harford County), Frito-Lay has been an outstanding corporate citizen in Harford County and in Maryland.

Most importantly, their success means success for our community. Frito-Lay has been an **OUTSTANDING** partner in our community. They have consistently and generously supported programs and charities that bring critical resources and funding to our schools, veterans' programs, food banks, and the like. Longstanding recipients of Frito-Lay's return-to-community efforts include Special Olympics, Toys for Tots, Wreaths Across America...the list goes on.

Our concern is great that passage of this narrow "snack tax" mechanism could potentially threaten further growth and investment by a great community partner to Aberdeen, Harford County, and Maryland, with no guarantee that the desired results of this legislation would be achieved.

Madam Chair and Members of this Committee, thank you again for allowing me the opportunity to express my concern for this well-meaning but potentially damaging legislation before you. An **UNFAVORABLE** vote can work toward continued growth in employment for Maryland citizens, growth in economic development for the State of Maryland, and growth in needed community and charitable assistance for all Marylanders.

Thank you for your consideration of our request.

Sincerely,



Leonard Parrish

Director, Harford County Office of Community and Economic Development