



THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**HB1469**

**Taxes - Sugary Beverage Distributor Tax (For Our Kids Act)**

Chair Atterbeary, Vice-Chair Wilkins, and esteemed members of the Ways and Means and Economic Matters Committees,

Thank you for the opportunity to provide testimony in support of House Bill 1469, a bill that would impose a two cent per ounce excise tax on certain distributors on the sale of sweetened beverages, syrups, and powders also known as the For Our Kids Act.

Excessive consumption of sweetened beverages poses significant public health risks, contributing to a range of severe health issues. A recent study from Tufts University found that sugar-sweetened beverages contribute to 2.2 million new cases of type 2 diabetes and 1.2 million new cases of cardiovascular disease annually.<sup>1</sup> Additionally, research has revealed that sweetened drinks are linked to 330,000 deaths from diabetes and cardiovascular disease each year.<sup>2</sup> These studies, and the totality of the research in this field, overwhelmingly reflect the critical need for a public health approach to reduce the consumption of these harmful beverages.<sup>3</sup>

Here are some concerning facts to chew on about the impact of sweetened beverages on our overall health. Sweetened beverages are a significant factor in nearly one-third of American adults being obese, and obesity is associated with a higher likelihood of type 2 diabetes and heart disease.<sup>4</sup> Sweetened drinks also cause significant health problems like tooth decay and hypertension.<sup>5</sup> While artificial sweeteners, often found in diet sodas, might seem like a healthier

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<sup>1</sup> *New Study Links Millions of Diabetes and Heart Disease Cases Globally to Sugary Drinks*. (2025, January 6). Tufts Now.

<https://now.tufts.edu/2025/01/06/new-study-links-millions-diabetes-and-heart-disease-cases-globally-sugary-drinks>

<sup>2</sup> Centers for Disease Control and Prevention. (2018, October 23). *Get the Facts: Sugar-Sweetened Beverages and Consumption*. Centers for Disease Control and Prevention.

<https://www.cdc.gov/nutrition/data-statistics/sugar-sweetened-beverages-intake.html>

<sup>3</sup> See e.g., Leech, J. (2019, February 8). *13 Ways That Sugary Soda Is Bad for Your Health*. Healthline.

<https://www.healthline.com/nutrition/13-ways-sugary-soda-is-bad-for-you>; see also Kim, Y., & Je, Y. (2016). Prospective association of sugar-sweetened and artificially sweetened beverage intake with risk of hypertension. *Archives of Cardiovascular Diseases*, 109(4), 242–253. <https://doi.org/10.1016/j.acvd.2015.10.005>

<sup>4</sup> Stern, G. (2025, January 20). *New Study Reveals The Unhealthy Effects Of Consuming Sugary Beverages*. *Forbes*.

<https://www.forbes.com/sites/garystern/2025/01/20/new-study-reveals-the-unhealthy-effects-of-consuming-sugary-beverages/>

<sup>5</sup> Delandro, T. (2025). Aspartame increases heart attack, stroke risk: Study. *NewsNation*. <https://doi.org/10482872.m3u8>

alternative - they are not. Research indicates that artificial sweeteners can disrupt gut health, erode tooth enamel, cause headaches, and still lead to significant weight gain.<sup>6</sup> A study by the American Heart Association even found that diet soda could increase the risk of stroke by 48%.<sup>7</sup>

Philadelphia's implementation of a similar tax in 2017 provides a relevant case study. The city's sweetened beverage tax led to a 38.9% drop in the volume of taxed beverages sold at small, independent retailers.<sup>8</sup> The tax generated substantial revenue, with nearly 40% of the funds used to support the city's free preschool program, opened thousands of seats for preschool students and supported preschool operations.<sup>9</sup> In addition, two independent studies found that the tax had no effect on overall employment in the city. While there were job losses in the distribution and trucking sectors, these were offset by job gains in day care and related industries.<sup>10</sup>

As introduced, the revenue generated from this bill will be used to bolster the Healthy School Meals for All Fund by an estimated \$189 million, the Child Care Scholarship Program by roughly \$50 million, then with the rest going to our general fund, helping to curb our budget deficit, in that order. It should be noted that this bill explicitly does not target nutritional beverages such as milk, baby formula, and other medically necessary beverages.

HB1469 presents a vital opportunity to address the growing public health concern about the obesity epidemic by reducing the consumption of sweetened beverages. By imposing a tax on distributors, we can reduce the intake of harmful sweetened drinks, promote healthier choices, and generate revenue to support essential programs that benefit all Maryland residents, especially those in underserved communities. The positive outcomes seen in Philadelphia serve as a testament to the effectiveness of such a tax. By supporting HB1469, we can make a significant impact on the health and well-being of our state.

**With that, I thank you for the committee's consideration of HB1469, and I respectfully request a favorable report on this bill.**

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<sup>6</sup> *A diet soda a day might affect dementia risk, study suggest.* (n.d.). Wwww.heart.org.

<https://www.heart.org/en/news/2021/05/20/a-diet-soda-a-day-might-affect-dementia-risk-study-suggests>

<sup>7</sup> *Id.*

<sup>8</sup> Moody, M. (2020, July 8). *Philadelphia Tax on Sweetened Drinks Led to Drop in Sales – PR News.*

Wwww.pennmedicine.org.

<https://www.pennmedicine.org/news/news-releases/2020/july/philadelphia-tax-on-sweetened-drinks-led-to-drop-in-sales>

<sup>9</sup> *Id.*

<sup>10</sup> Lahr, M., Friedman, Allison, E., Frede, D., Epstein, R., Sansanelli, D., Ackerman, J., & Stevenson. (2021). *New Jersey Reflections on Philadelphia's Sugary Beverage Tax....*

<https://policylab.rutgers.edu/wp-content/uploads/2021/10/New-Jersey-Reflections-on-Philadelphias-Beverage-Tax-1.pdf>