

March 4, 2025

Testimony in Support of House Bill 1469 – Taxes - Sugary Beverage Distributor Tax (For Our Kids Act)

We respectfully urge the Budget & Taxation committee to make a favorable report on HB 1469. The Sugary Beverage Distributor Tax (For Our Kids Act) will directly benefit children and families. The funds will expand access to free early care and education slots and support the free school meals program, two vital initiatives that create long-term benefits for Maryland's communities and economy.

The Montgomery County <u>Children's Opportunity Alliance</u> connects our community to build an equitable, accessible, high-quality, and sustainable early childhood system that narrows disparities and puts all young children on a path to reach their greatest potential. Right now, parents pay more than a quarter of their household income for child care. The Maryland State Comptroller's recent report, indicates that more than 100,000 women dropped out of the work force during the pandemic due to a lack of child care.

The Sugary Beverage Distributor Tax (For Our Kids Act) will:

- Support working families and boost economic freedom. Expanded early care slots allow parents—especially women—to return to work or school with confidence that their children are in safe, high-quality environments.
- Address food insecurity and hunger. No child should go to school hungry. Expanding free school meal programs ensures that every student has access to nutritious food, which is critical for their physical health, focus, and learning outcomes.
- **Improve long-term health outcomes.** Nutritious school meals help establish healthy eating habits, reducing the risk of chronic diseases like obesity and diabetes.
- Stimulate the economy. Increased demand for early care and education services creates jobs for teachers, staff, and small business owners, while boosting local economic activity. Farmers and food producers benefit from expanded markets through school meal programs, keeping revenue within Maryland.

We can't grow our economy and develop the next generation of healthy Marylanders if we are cutting back on essential services such as early care and education and not addressing the food insecurity challenges that working parents are experiencing. Sugary Beverage Distributor Tax (For Our Kids Act) will help address this.

Submitted on behalf of the Children's Opportunity Alliance by: Brittany Anuszkiewicz, Strategic Public Financing Coordinator 1801 Rockville Pike, Rockville, MD 20852 | brittany@mocochildren.org

¹ https://www.marylandtaxes.gov/reports/static-files/research/SOTE-STATE-OF-THE-ECONOMY-REPORT-Brief-June-2024.pdf

