

TESTIMONY TO THE HOUSE WAYS AND MEANS COMMITTEE

HB 1469 Taxes - Sugary Beverage Distributor Tax (For Our Kids Act)

POSITION: Support

BY: Linda Kohn, President

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The League of Women Voters of Maryland has conducted three studies of Maryland's Fiscal Policy over the last few decades. Fact Sheets were presented to our members at our local Leagues located on the Eastern Shore, in Southern Maryland, Western Maryland and all the counties in between. After lengthy discussions among our members, they came to the following consensus on these key principles for Maryland's Fiscal Structure:

- Adequate yield: Adequate and timely revenues are available to finance planned expenditures.
- Compatibility with state social and environmental policy: The state's policy and tax structure are working towards the same end.

We support HB 1469 because enacting this would provide much needed revenue to avoid some of the devasting cuts that our fiscal situation is requiring. In addition, sugar-sweetened beverages such as sodas, sports and energy drinks, and sweetened coffees are a major source of added sugar in children's and adult's diets, and "are associated with serious negative health outcomes, including type 2 diabetes, obesity, heart disease, kidney disease, non-alcoholic liver disease, tooth decay, and other conditions."¹

Placing a tax on sugary drinks has demonstrated health benefits not only by discouraging consumption due to increased cost, but also by raising revenue for community needs such as healthier foods in schools and health education projects. A recent study² of the effect of taxing sugary beverages in multiple large U.S. cities, including Boulder, Philadelphia, and Seattle, found that there was a 33% decrease in purchases, appearing immediately after tax implementation and continuing for months later. Reducing behavior that has proven to be harmful to health and raising funds for purposes outlined in HB 1469 is a win-win outcome.

We urge a favorable report on HB 1469

¹https://publichealth.berkeley.edu/news-media/research-highlights/taxes-on-sugar-sweetened-drinks-drive-decline-in-consumption