



MONTGOMERY COUNTY BOARD OF EDUCATION

Expanding Opportunity and Unleashing Potential

15 West Gude Drive ♦ Suite 100 ♦ Rockville, Maryland 20850

BILL: HB 1469

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

DATE: March 6, 2025

POSITION: Information Only

COMMITTEE: Ways and Means

CONTACT: Patricia Ursprung, Coordinator, Legislative Affairs

The Montgomery County Board of Education submits this letter of information concerning House Bill 1469.

This bill imposes a tax on certain distributors of specified sugary beverages, syrups, and powders when selling those products to retailers or directly to consumers. The income generated by this tax will be used to administer the new tax and to fund the newly created Healthy Schools Meals for All Fund and Child Care Scholarship Program. Any remaining funds will be deposited into the General Fund for the State.

The Healthy School Meals for All Fund would be utilized by school systems to implement the State Free Feeding Program and the Maryland Meals for Achievement In-Classroom Breakfast Program. These programs allow schools to serve nutritious school meals to students, free of charge. Ensuring that all students have access to breakfast and lunch has a positive effect on the student's ability to learn and engage in the curriculum throughout the school day.

In Montgomery County Public Schools, approximately 44% of students qualify for free or reduced-price meals and have access to breakfast and lunch free of charge. To qualify for free or reduced-price meals, a family of 4 must make less than \$57,721. To meet the self-sufficiency standard¹ in Montgomery County, a family of four must make \$122,943 (as of 2023). This means there are a significant number of families who don't qualify for free or reduced-price meals at school, but who still need support feeding their children nutritious meals.

¹ Self-sufficiency is the amount of income a family of a certain composition needs to adequately meet basic needs. Montgomery County Government published a 2023 report that concluded a family of four (two adults, one preschooler, one school-age child) needs family income of at least \$122,943 to be self-sufficient in Montgomery County. View the report, [here](#).



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House Bill 1469 could contribute to ensuring that all students, regardless of socioeconomic status, have access to nutritious meals in schools. The Healthy School Meals for All Fund would bridge the gap between federal reimbursements for the program, and needs in our community. MCPS anticipates accruing \$1.75 million in meal debt by the end of the fiscal year due to providing meals to all children who cannot pay, regardless of their eligibility for free meals.

Schools and childcare operators, who typically care for children between 6 and 9 hours a day, are in a unique position to provide children with high-quality nutrition. MCPS is committed to ensuring that every student has access to nutritious meals that support their well-being and academic success. Proper nutrition is vital for student health, cognitive function, and overall development. Our school meal programs serve a critical role in addressing food insecurity and promoting equity among our diverse student population. We encourage continued dialogue and collaboration among policymakers, educators, and stakeholders to explore sustainable funding solutions that prioritize student nutrition and wellness.