



## Community Advocacy Guide:

### Bill 24-0166: Nutrition Equity Amendment Act of 2021

The bill can be accessed here: <https://lms.dccouncil.us/Legislation/B24-0166>

The DC Food Policy Council (FPC) is a coalition of local food leaders and government representatives appointed by Mayor Muriel Bowser to promote a more equitable, healthy, and sustainable food system in the District. The FPC creates Community Advocacy Guides on District food-related legislation to educate and inform residents about the legislation and how to testify.

## Background

Over the past ten years, several cities in the U.S. have implemented excise taxes on sugary drinks. These taxes, which are levied on distributors (and generally raise prices for consumers) can range from \$0.01 per ounce to \$0.02 per ounce. The goals of these taxes are generally twofold: (1) to reduce consumption of sugary drinks, which is tied to diet-related chronic diseases like diabetes and heart disease, and (2) to raise revenue for local governments, often focused on health, wellness, and early childhood programs. Research has shown that excise taxes are more likely to reduce sales of sugary drinks than sales taxes because an excise tax increases the price of items at the shelf, rather than at the register.<sup>1</sup> Cities such as Boulder, CO, Philadelphia, PA, Seattle, WA, and Albany, Berkeley, Oakland, and San Francisco, CA, as well as the Navajo Nation, have implemented such taxes.

Sugary drink taxes disproportionately impact low-income Black and Latinx individuals because they generally spend a larger percentage of their income on sugary drinks than higher-income white individuals.<sup>2</sup> This is in part due to the sugary drink industry's long-standing targeting of sugary drink advertising to communities of color, and in particular Black and Latinx children and teens.<sup>3</sup> Several jurisdictions have spent the tax revenue on programs that promote health equity and prevent diet-related chronic diseases. Examples include nutrition education and cooking classes in Albany, CA and Berkeley, CA; parks and recreation centers to encourage active lifestyles in San Francisco, CA and Philadelphia, PA; and universal pre-K in Philadelphia, PA. In Navajo Nation, the revenue is distributed to the tribe's local chapters for use in nutrition education and health programs.

Since 2010, the District has had a sales tax on soft drinks sold within the District.<sup>4</sup> The majority of these funds have gone towards funding the Healthy Schools Act Grant Fund, administered by OSSE, that provides funds for cafeteria equipment and health, garden, and nutrition education in DCPS and public

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<sup>1</sup> Chaloupka, F. J. et al. (2019) The Use of Excise Taxes to Reduce Tobacco, Alcohol, and Sugary Beverage Consumption. *Annual review of public health*. [Online] 40 (1), 187-201. Available at: <https://www.annualreviews.org/doi/10.1146/annurev-publhealth-040218-043816>

<sup>2</sup> Falbe, J. (2020) The ethics of excise taxes on sugar-sweetened beverages. *Physiology & behavior*. [Online] 225113105-113105. Available at: <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7377978/>

<sup>3</sup> Harris, J., Fleming-Milici, F., Kibwana-Jaff, A. and Phaneuf, L., 2020. *Sugary Drink FACTS 2020*. Sugary Drink Advertising to Youth: Continued Barrier to Public Health Progress. [online] UConn Rudd Center for Food Policy & Obesity. Available at: [https://media.ruddcenter.uconn.edu/PDFs/Sugary\\_Drink\\_FACTS\\_Full%20Report.pdf](https://media.ruddcenter.uconn.edu/PDFs/Sugary_Drink_FACTS_Full%20Report.pdf)

<sup>4</sup> Otr.cfo.dc.gov. 2021. *District of Columbia Tax Changes Take Effect October 1* | otr. [online] Available at: <https://otr.cfo.dc.gov/release/district-columbia-tax-changes-take-effect-october-1> [Accessed 4 May 2021].



charter schools. The Nutrition Equity Amendment Act of 2021 would replace the sales tax with an excise tax on sugary drinks.



Figure 1: This graphic displays how an excise tax on distributors is generally passed on to consumers based on a two-liter bottle.

### What does this bill do?

On March 29, 2021, the Nutrition Equity Amendment Act of 2021 was introduced by six DC Councilmembers. The bill proposes an excise tax of \$0.015 per ounce on the distribution of sugary drinks in the District. The bill is anticipated to generate between \$22-\$30 million in revenue in the first few years of passing, and then decrease over time as sugary drink sales decline. The bill proposes that the funds be spent on several programs, including healthy food access, nutrition education, and local grocery development. Specifically, the bill proposes spending the revenue in the following order of priority:

1. Sufficient funds to cover the funding currently generated by the 8% sales tax on soft drinks;
2. Sufficient funds for any staffing required to implement the legislation;
3. \$5,000,000 to the Department of Health Care Finance for programs which integrate **food access as a core component of health care** (also known as “Food as Medicine” interventions);
4. \$5,000,000 to DC Health for programs aimed at reducing and **preventing nutrition-related chronic diseases** such as diabetes, hypertension, and heart disease; including chronic disease management and prevention, and wraparound nutrition services;
5. \$1,000,000 to the Office of the Deputy Mayor for Planning and Economic Development for the Nourish DC Fund which provides grants, loans, and technical assistance to **local food businesses in low food access communities**;
6. \$250,000 to the Families First DC Program for **nutrition education, cooking lessons, and healthy shopping** lessons at Family Success Centers;
7. \$250,000 to the Department of Human Services for the establishment of the Healthy Families Grants Program to fund programs that deliver nutrition education, cooking lessons, and healthy shopping lessons; programs that promote **physical activity, inclusive play, and the creation for safe play structures** on the grounds of family shelters and transitional housing; and building and maintenance of gardens at family shelters and transitional housing;
8. \$3,500,000 to the Office of the State Superintendent of Education for **experiential food literacy education for students in Grades Pre-Kindergarten through 5** that gives students opportunities to grow, prepare, and eat food, and learn about healthy eating and nutrition, to be provided in-house or by outside organizations; and



9. All remaining revenue shall be deposited into a Fund to be managed by the Food Policy Director within the DC Office of Planning. The Fund shall be used to fund and issue grants to programs or projects that **promote healthy eating and active living and prevent or reduce the health consequence of the consumption of sugary drinks in the District**. Programs receiving funds or grants shall have a focus on: Food access and equity; Improving community nutrition and increasing physical activity; or Reducing and preventing nutrition related chronic illnesses such as diabetes, hypertension, and heart disease. Special consideration shall be given to programs that target communities most affected by health disparities.

The bill also creates new requirements for meals served in shelters for individuals and families experiencing homelessness, including:

1. Requires that all meals reflect recommendations in the Dietary Guidelines for Americans;
2. Permits the use of donated and recovered foods in meals if food safety requirements are met;
3. Provides an additional \$0.25 per meal reimbursement for food vendors serving at least one local produce item in the meal;
4. Requires eligible shelters to enroll in the Child and Adult Care Food Program and Summer Food Service Program (to provide children with access to free meals during out-of-school hours); and
5. Requires shelters to provide residents (a) access to menus a week in advance, (b) the opportunity to provide feedback on menus, food quality, and quantity, and (c) the opportunity to register formal, cataloged complaints.

### **Themes from Food Policy Council Discussions**

The FPC supports spending the tax revenue on health and wellness programs that will benefit low-income Black and Latinx residents, and particularly children. The FPC has held several public conversations on the bill, including at the FPC's full April 2021 public meeting and at four smaller working group meetings. In particular, the Nutrition & Health Working Group held several discussions, given that achieving nutrition equity is central to their collective work. Through these conversations, participants identified several themes they believed should guide how the tax revenue is spent.

1. **Invest in community wealth building and infrastructure.** The U.S. Centers for Disease Control's (CDC) top recommendations for improving population health include (1) improving socioeconomic factors and (2) improving access to healthy options regardless of education, income, geographic location, or other societal factors.<sup>5</sup> Similarly, the FPC's 2021 priorities include (1) increasing investment and support for Black and Latinx-led food businesses and organizations and entrepreneurs of color, and (2) Expanding healthy food access in areas where structural racism and disinvestment have led to low food access. Investments that directly put more money in people's pockets or improve the built environment (like the Nourish DC Fund and

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<sup>5</sup> Frieden, Thomas R. "A framework for public health action: the health impact pyramid." *American journal of public health* vol. 100,4 (2010): 590-5. doi:10.2105/AJPH.2009.185652



other efforts to expand healthy food options East of the Anacostia River) would be consistent with the CDC and FPC’s recommendations.

2. **Directly address systemic racism.** The CDC has named racism as a “serious threat to the public’s health.”<sup>6</sup> The systemic inequities of the social determinants of health – one’s access to housing, education, wealth, and employment – place communities of color at greater risk for poor health outcomes. We know this to be true in the District, where Black residents are 6 times more likely to die from diabetes-related complications and 3.5 times more likely to live below the poverty level.<sup>7</sup> Investments such as workforce development and tuition assistance for Black and Latinx residents would more directly address systemic racism and the racial wealth gap.
3. **Allow on-going community engagement for allocations of funds.** Although the bill sponsors hosted community engagement before the introduction of the bill, the permanent earmarking of the funds prevents the use of the funds for evolving community-led projects and priorities over time. As seen during the COVID-19 public health emergency, community food priorities can pivot quickly, and it is important to be nimble. In Berkley, Seattle, and Navajo Nation, on-going community engagement after the bill has passed has helped to ensure that the funds go towards community-defined priorities.

The Food Policy Council commends the DC Council on taking steps to address health inequities in the District. We look forward to continuing to work collaboratively to ensure nutrition equity for the District.

### How can I give input on this bill?

The DC Council’s Committee on Human Services **has scheduled a virtual public hearing on Wednesday, May 19th, 2021 at 10am.**

Anyone can testify on this bill, even if you are not a DC resident. Anyone wishing to testify should sign up at <https://www.brianneknadeau.com/testify> or call (202) 724-8170 **by the end of the business day on Friday, May 14, 2021.** Please provide your name and indicate that you wish to testify on the Nutrition Equity Amendment Act of 2021. If you are testifying on behalf of an organization, please provide the name the organization and your role with the organization. It is helpful, but not required, to submit your testimony in writing as well to [humanservices@dccouncil.us](mailto:humanservices@dccouncil.us) anytime before the record closes on Wednesday, May 26, 2021.

### Tips on testifying (virtually!):

- ✓ Once you sign up to testify, you will receive a Zoom link to log in on the day of the hearing.
- ✓ You will not be assigned a specific time to testify but rather you will be expected to be present for the part of the hearing when your name is called. You may estimate when this will be based on

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<sup>6</sup> U.S. Centers for Disease Control and Prevention. 2021. *Racism and Health*. [online] Available at: <https://www.cdc.gov/healthequity/racism-disparities/index.html>

<sup>7</sup> Georgetown University School of Nursing & Health Studies Department of Health Systems Administration, 2016. *The Health of the African American Community in the District of Columbia: Disparities and Recommendations*. [online] DC Commission on African American Affairs. Available at: <http://www.abfe.org/wp-content/uploads/2016/11/The-Health-of-the-African-American-Community-in-the-District-of-Columbia.pdf>



the witness list that is generally circulated the day before the hearing. When it is your turn to testify, you will be called on.

- ✓ You will need to have access to/be able to be on Zoom. The virtual hearing will be publicly visible.
- ✓ You will have 3 minutes to speak. Remember that one page of double-spaced text (about 250 words) takes about 2 minutes to read aloud, so we recommend planning your remarks accordingly.
- ✓ You can submit your written testimony separately and include more information than you read aloud in your allotted time.
- ✓ After you testify, Councilmembers may ask follow-up questions about your testimony and why you care about the issue. It's ok if you're not an expert or don't know the answer to a question. You can always say, "I'll get back to you!"

#### **Tips for writing testimony:**

- ✓ Thank Committee Chair Brienne Nadeau for convening this hearing and considering this bill;
- ✓ Briefly introduce yourself and/or your organization/business;
- ✓ Explain why you care about nutrition equity in the District;
- ✓ Explain how one or more pieces of this bill will make a difference to you, your organization, or your community;
- ✓ Express any concerns you might have about this bill;
- ✓ Close by thanking the Councilmember(s) for listening and re-stating clearly whether you think the Council should make this legislation a law in DC.
- ✓ Practice reading your testimony aloud before the hearing and time how long it takes you. This will help stay within the time limits and make your points clearly and succinctly.

#### **What can I do if I can't testify that day?**

You can still submit written testimony to the Committee on Human Services at [humanservices@dccouncil.us](mailto:humanservices@dccouncil.us) or to Nyasha Smith, Secretary to the Council, 1350 Pennsylvania Avenue, NW, Suite 5, Washington, DC 20004. You may also leave a voicemail testimony for the Committee by calling (202) 350-1927. When leaving a voicemail, please speak slowly and clearly and state your full name, organization (if any affiliation), and the bill for which you are providing testimony. Please **DO NOT** provide an e-mail, phone number, or other contact information in your voicemail testimony. All information being submitted must be received by the end of the business day on Wednesday, May 26, 2021.

Any other questions? Please direct any questions or concerns to [dcfoodpolicy@dc.gov](mailto:dcfoodpolicy@dc.gov).