

# Seattle Sweetened Beverage Tax Community Advisory Board (CAB)

2025 Briefing Book



Photo credit: Filipino Community of Seattle



# Outline

- Background on the Sweetened Beverage Tax (SBT)
- Role of the SBT Community Advisory Board (CAB)
- Summary of SBT-funded Programs and Services
- Current CAB budget recommendations and policy priorities

# Background on the Seattle Sweetened Beverage Tax (SBT)

## SBT Fact Sheet



## Sweetened Beverage Tax

Supporting healthy food and child health and development



Beginning in 2018, Seattle started taxing sugar-sweetened beverage products distributed within the city (**Ordinance 125324**). The Sweetened Beverage Tax (SBT) is not a sales tax charged directly on consumers. Instead, this tax makes distributors pay a tax (of 1.75 cents per ounce) on sugar-sweetened beverage products they distribute within the City of Seattle.

### Why did Seattle pass this tax?

The tax was designed to improve the health of Seattle residents by reducing the sales and consumption of sugary drinks. In addition, the tax revenue is primarily used to support healthy food access, child development, and early learning programs. Research has shown that sugary drinks can lead to long-term weight gain, which can increase risk of developing **type 2 diabetes, high blood pressure,** and heart disease. Sugary drinks also lead to cavities. A 20-ounce bottle of soda can pack over 15 teaspoons of added sugar and over 250 calories with poor nutritional value.



20 OZ SODA has

15

teaspoons  
of added sugar and

250  
empty calories

#### TAXED BEVERAGES



Regular sodas



Fruit drinks



Energy and sports drinks



Sweetened waters



Sweetened coffees and teas



Syrups and concentrates

#### TAX EXEMPT BEVERAGES



Milk including plant-based



Diet drinks



100% juice



Bottled water



Baby formula



Alcoholic beverages

Plus powders and concentrates mixed by the end consumers and beverages for medical use.



JUST 1-2 CANS

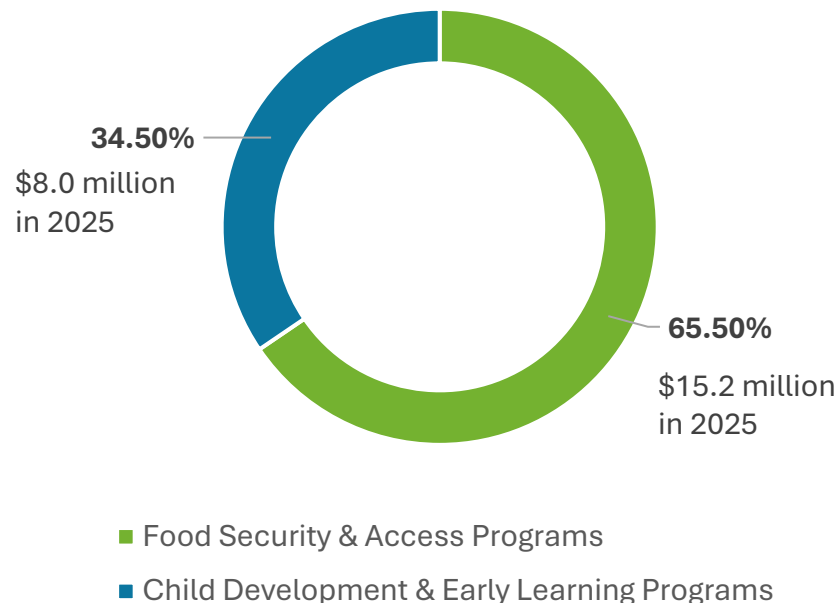
of soda per day

INCREASES RISK OF  
type 2 diabetes

26%

# About the Sweetened Beverage Tax

## Where does SBT revenue go?



- SBT started in 2018
- [Tax is levied on distributors of sugary beverages \(1.75 cents per ounce\)](#)
- Designed to improve the health of Seattle residents by reducing the sales and consumption of sugary drinks
- Raises revenue (~\$21m/year) that **“shall expand”** programs that increase food security and access to healthy food and support children’s health and early learning ([SMC 5.53.055](#))



# Community Efforts to Protect SBT Revenues

- In 2017, before the SBT was passed, community coalitions led efforts to ensure SBT revenue would have a direct benefit in communities most impacted by a regressive tax.
- In 2019, then Mayor Durkan tried to use higher than expected SBT revenues to balance the city budget by *swapping* General Fund revenue that already supported food programs and replacing them with the “extra” SBT revenues. **The effect – funding for food and early learning programs would not increase.**
- **Community advocates led the fight to ensure SBT revenue would be spent as intended** and reinvested into communities long affected by food insecurity and education divestments.



# Today, SBT is a Restricted Revenue Source (and should remain restricted)

- In 2019, City Council passed legislation that established the **SBT Fund 00155**, clarified and strengthened SBT spending guidance, and codified SBT allocation of proceeds in the **Seattle Municipal Code**.
- All proceeds of the tax **shall support** either the expansion or creation of new programs that address:
  - Access to healthy, affordable food and close the food security gap
  - Prenatal-to-age-three and kindergarten readiness for populations facing disparities based on race, gender, or other socioeconomic factors.

[SMC 5.53.055 –Sweetened beverage tax—Allocation of proceeds](#)

Local News | Local Politics

## Seattle City Council locks in fund for soda-tax revenue, overriding Mayor Durkan's veto

The Seattle Times

Aug. 12, 2019 at 5:51 pm | Updated Aug. 12, 2019 at 9:26 pm

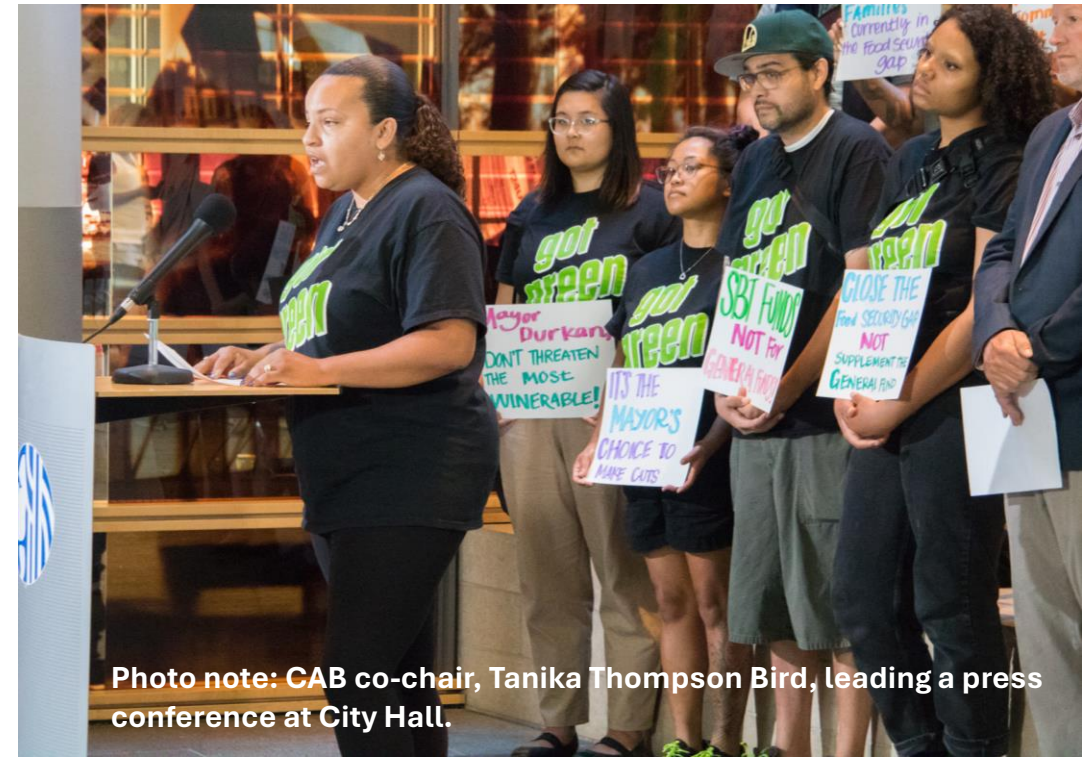


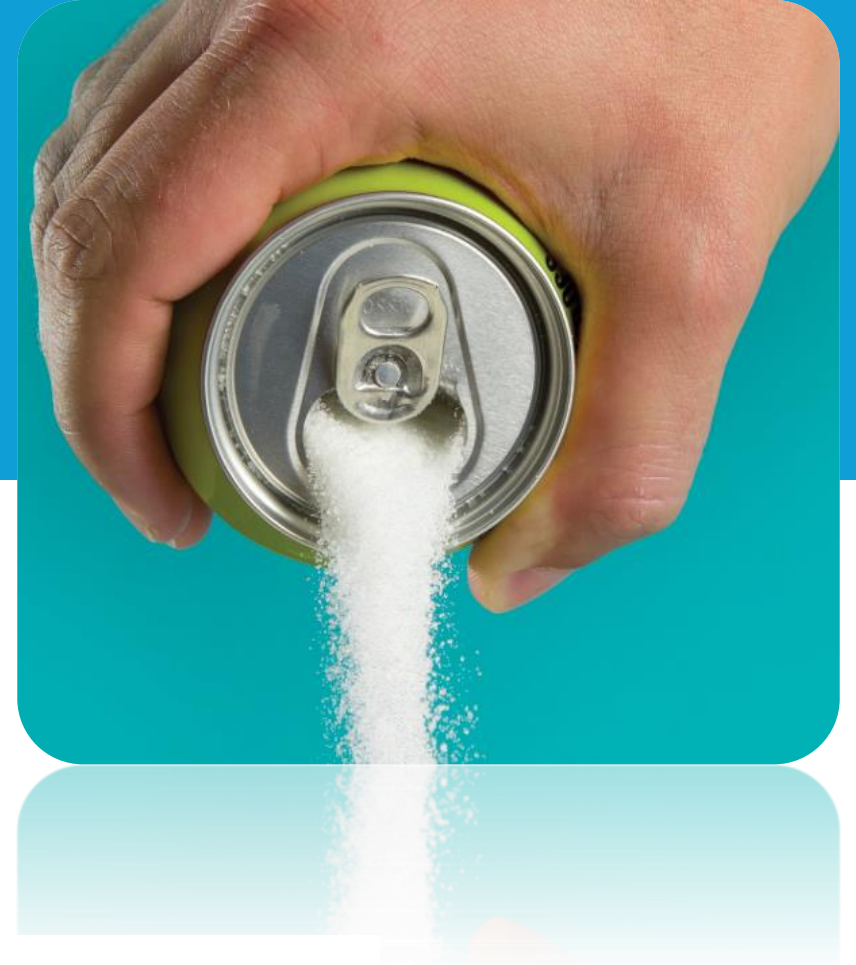
Photo note: CAB co-chair, Tanika Thompson Bird, leading a press conference at City Hall.

# SBT at 7 Years Old

Read the [CAB's January 2024 blog post](#) and the [SBT evaluation reports](#) more information

## The SBT is working as intended!

- [Sales of sugary drinks are down](#) (yet an [evaluation](#) showed no negative economic impacts on small businesses)
- [People are more aware](#) that sugary drinks increase the risk of serious health problems.
- Revenue from the tax – about \$21 million annually – is [equitably invested](#) in communities long affected by food insecurity, education divestments, and poor nutrition and their long-term.



# SBT Works – And People are Noticing

## Seattle's sweetened beverage tax is funding food sovereignty work



KNKX Public Radio | By Bellamy Pailthorp  
Published August 18, 2023 at 4:35 AM PDT

▶ LISTEN • 3:38



## Mayor Bruce Harrell's Work to End Food Insecurity in Seattle



United States Conference of Mayors · Follow

Published in United States Conference of Mayors · 4 min read · Jan 2, 2024



COMMUNITY

## Food Equity Fund Supports Intergenerational, Multicultural Food and Farm Projects

OCTOBER 4, 2022 EDITOR



## Seattle Turns Soda Tax Revenue into Emergency Grocery Vouchers During Pandemic

\$5 million generated from the soda tax was quickly deployed to provide much-needed assistance.



GREGORY SCRUGGS · MARCH 30, 2020



Opinion

## Sweet success: Seattle's sugary drink tax is reducing health inequities

Feb. 3, 2023 at 1:11 pm | Updated Feb. 3, 2023 at 2:11 pm



NEWS & STORIES

## Seattle's low income communities benefit from soda tax revenue, UW study says



Ruby de Luna

July 13, 2022 / 2:19 pm





# Role of the SBT Community Advisory Board

## Ordinance 125324



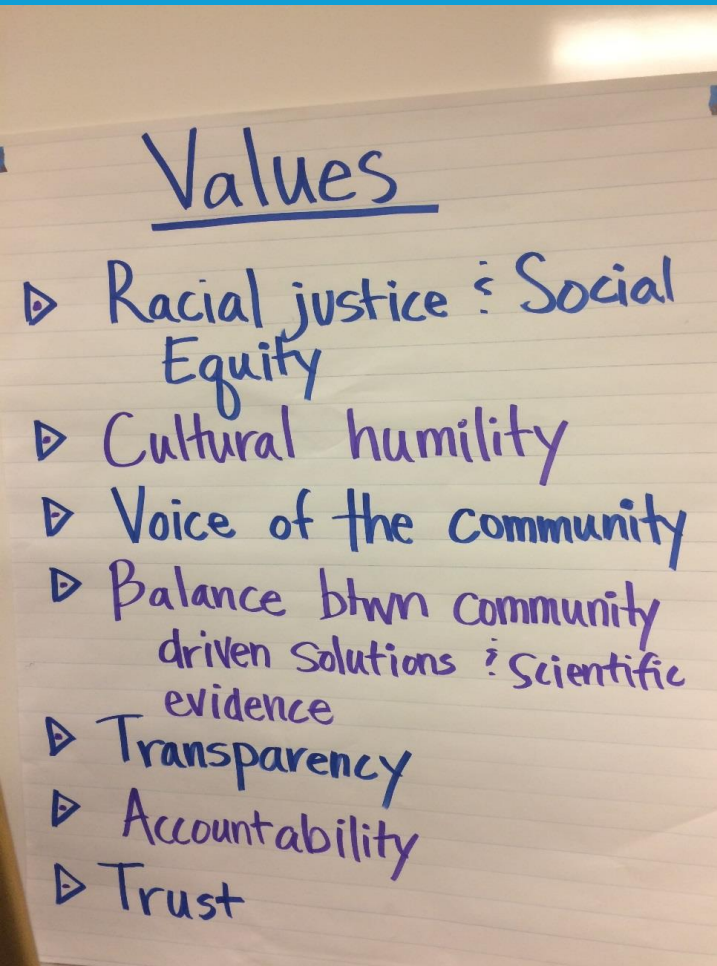
**Section 4. Sweetened Beverage Tax Community Advisory Board.** There is hereby established a Sweetened Beverage Tax Community Advisory Board that shall advise and make recommendations to the Mayor and City Council. The Board shall make recommendations on how and to what extent the Mayor and City Council should establish and/or fund programs and activities consistent with the intent of this ordinance that benefit Seattle's populations who experience the greatest education and health inequities. The Board shall make recommendations to the Mayor and City Council on elements of an evaluation of the effectiveness of the Tax, including impacts on sweetened beverage sales and consumption, public attitudes towards sweetened beverage consumption, and job and economic indicators and of the process of implementing the tax. The Office of Sustainability and the Environment shall provide administrative support for the Board.

# Role of the SBT Community Advisory Board (CAB)



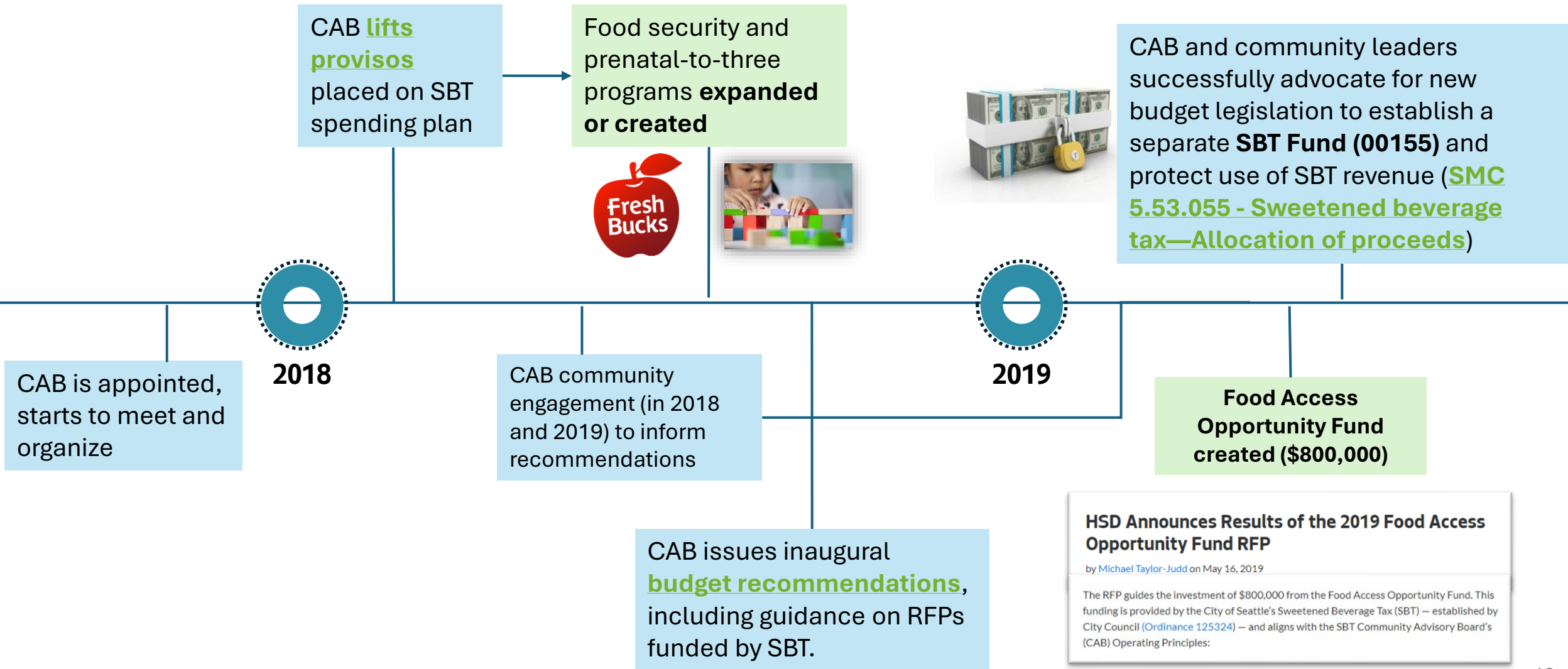
- Established by [Ordinance 125324](#)
- Advises and makes [recommendations](#) to the Mayor and City Council on programs and services supported by the SBT
  - Budget
  - Policy
  - Program implementation
- Serves as a conduit and voice for community priorities

# CAB's Process and Approach



- Monthly meetings, open to the public
  - The last several years, the CAB's meeting cadence is 6-8 times per year and scheduled to align with the City's budget process
- Values-driven facilitation and decision making
  - Vision, Values, Budget Principles
  - Bylaws
- Informed by community priorities, current context, and program information

# Timeline of CAB's Impact



# Timeline of CAB's Impact



## Seattle Turns Soda Tax Revenue into Emergency Grocery Vouchers During Pandemic

\$5 million generated from the soda tax was quickly deployed to provide much-needed assistance.

 GREGORY SCRUGGS MARCH 30, 2020

Food Equity Fund created (\$1.5 million/year)

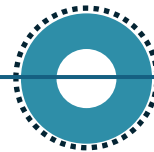
Food Equity Fund restored to \$3 million/year



2020

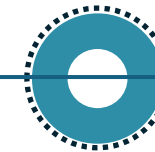
COVID EMERGENCY

\$5 million SBT provides the seed funding to launch the City's **Emergency Grocery Vouchers** program



2021

Prenatal-to-Three (PN3) Community Grant Program created (\$1.5 million one-time)

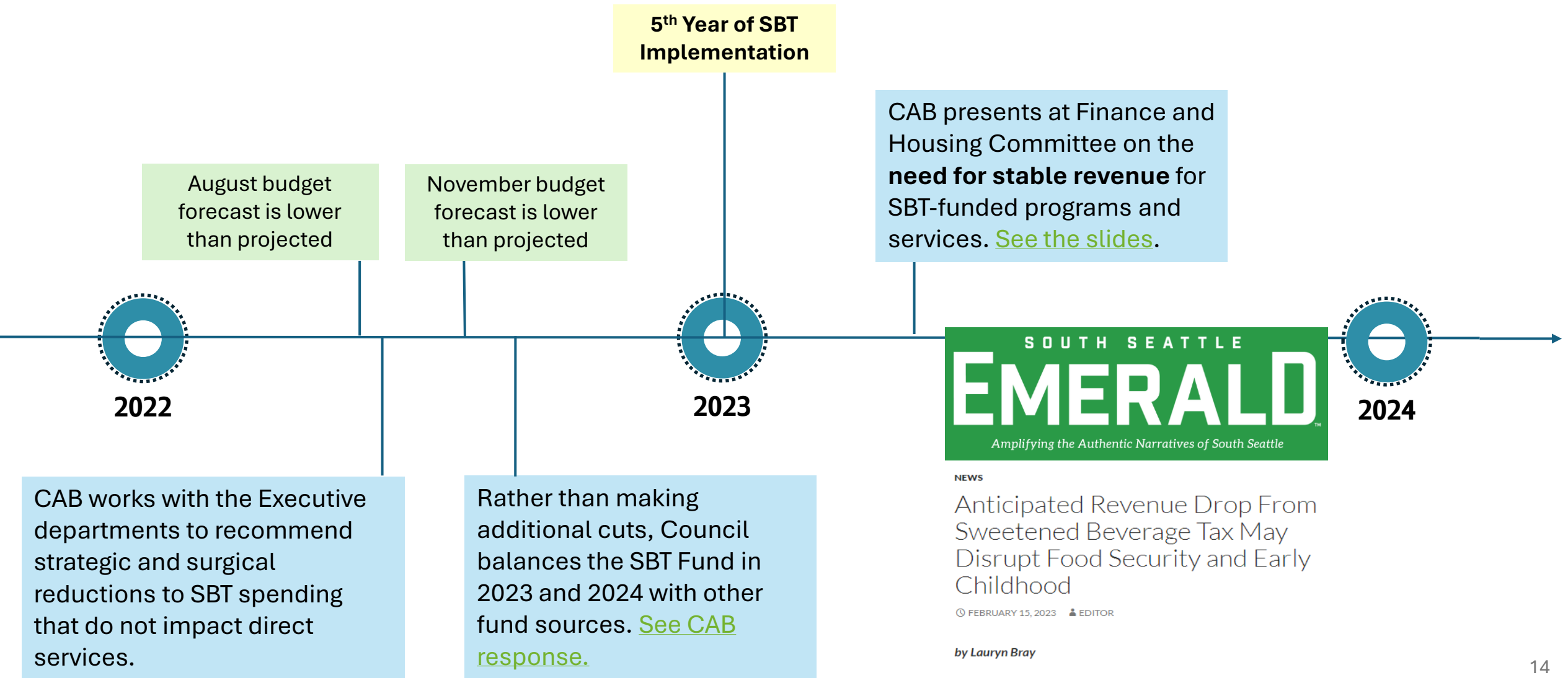


2022

PN3 Community Grant Program maintained (\$1.5 million/year)



# Timeline of CAB's Impact



# SBT Programs

Photo credits: Public Health – Seattle & King County (upper right), Food Equity Fund (lower right), stock image (lower left).



Please see our most recent [2023 Annual Report](#) for more information.

*[2024 Annual Report forthcoming](#)*

# The Need

## Food Security Programs

- Food and nutrition security are essential to health, wellbeing, and child development.
- 10% of Seattle adults experience food insecurity. Due to socioeconomic inequities, rates of food insecurity are **three to four times higher** households of color.
- High food prices is making it even harder for lower income Seattle residents. Food prices have [increased 30% since 2019.](#)
- Hunger relief organizations are reporting visits to food banks are up 25%.

## Child Development Programs

- Prenatal to age three period of development sets the foundation for all future health and wellbeing.
- Infants and toddlers need loving, stimulating, stable, and secure care environments.
- Social, economic, and environmental disparities and adversity in the early years of a child's life lead to disparities in health and educational outcomes later.
- [Seattle-area childcare is scarce, costly, and out of reach for many.](#)

**Meanwhile, the social safety net is under attack by the Trump administration with unprecedented cuts to SNAP, SNAP-Ed, Child Care Development Fund, and Head Start.**



# Programs/Services Supported by SBT

## Food Security Programs - \$15m

- Fresh Bucks^
- **Food Equity Fund\***
- Food banks and meal programs^
- Farm to Preschool^
- **Healthy Food in Schools\***
- Food and recreational programming

## Child Development Programs - \$8m

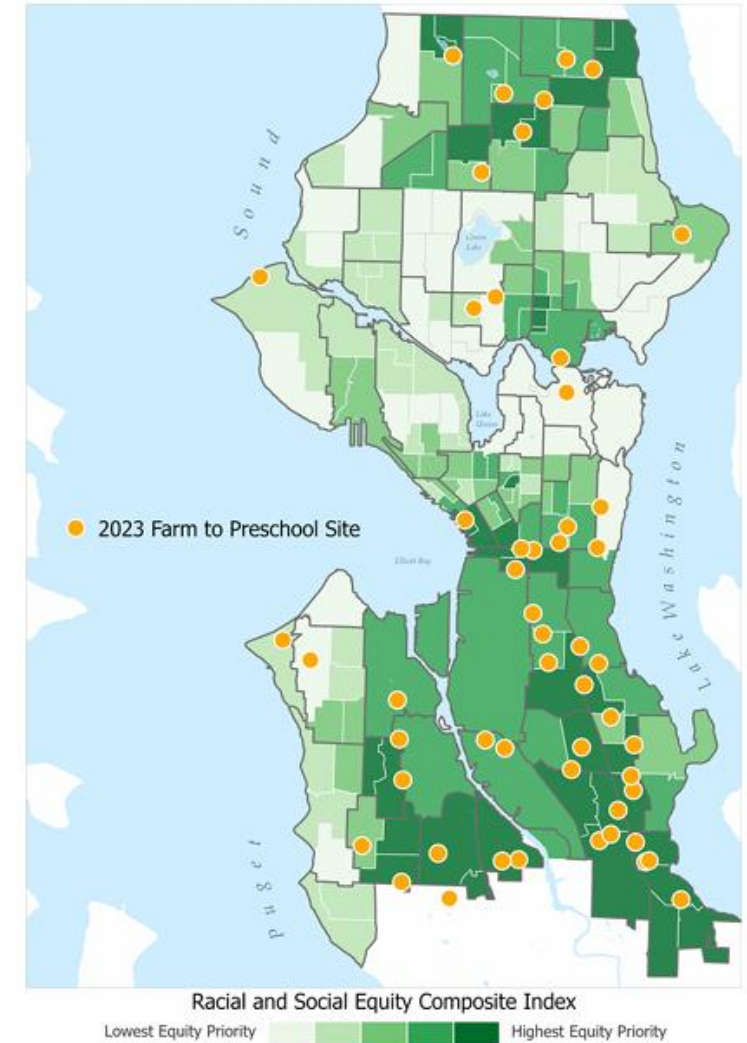
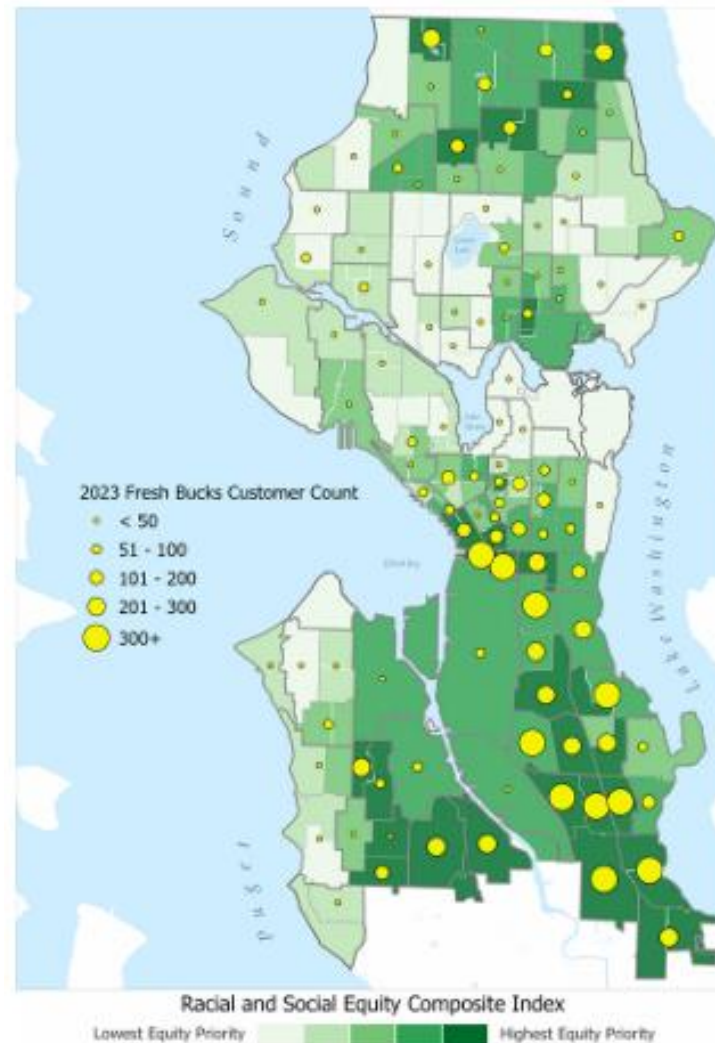
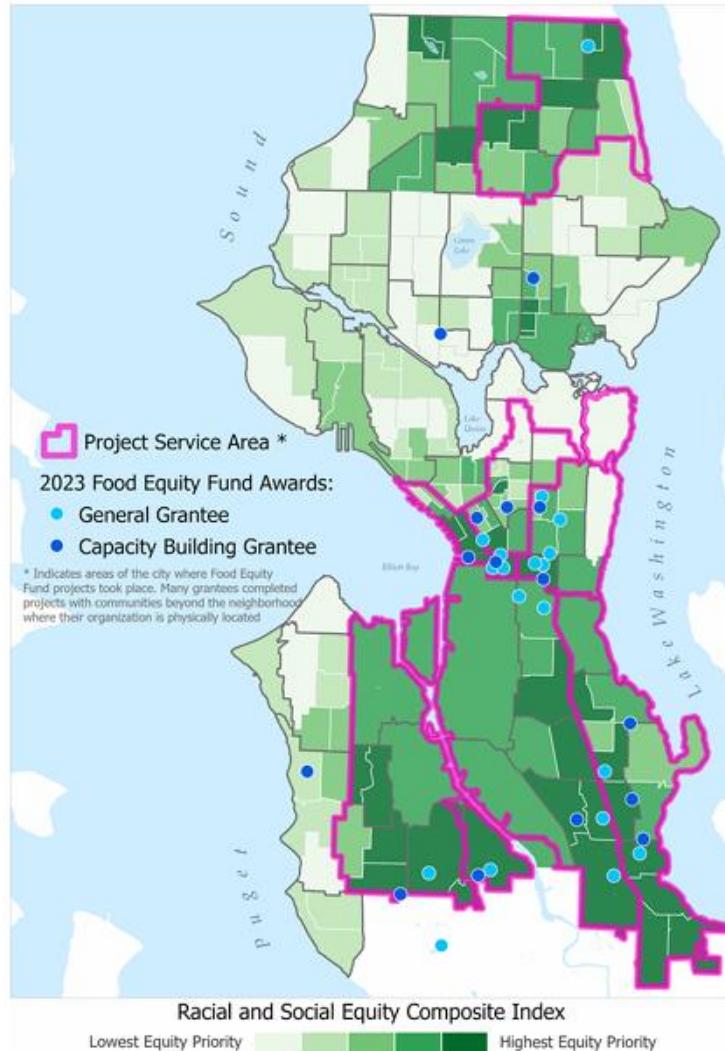
- Child Care Assistance Program
- **Prenatal-to-Three Grant Program\***
- Health and Developmental Supports^
- Coaching and Training for Providers^
- Home Visiting^
- Family Child Care Support^

*\*Created in direct response to CAB recommendations*

*^Expanded with endorsement by the CAB*

[2023 Annual Report](#) (page11) has a budget breakdown by program

# Focused and Equitable Investments



See our [2023 Annual Report](#) for more SBT programs/services mapped over the City's [Racial and Social Equity Composite Index](#)

# Outcomes

## Food Security Investments

- **12,000** lower income households redeemed **\$4.8m** in Fresh Bucks benefits, generating **\$7.6m** in the local economy
- **37** community-based organizations awarded **\$2.3m** through the Food Equity Fund
- **22** food banks served over **765k** visitors, focusing on nutritious, culturally relevant foods
- **3,209,296** meals provided in community and congregate settings
- **6,678** students at **27** income-eligible schools (34 sites) received extra fruit and veggie snacks twice a week
- **32,442** produce bags (85% local, 34% BIPOC farms) distributed at **45** preschool sites

[2023 Annual Report](#) (pages 13-39)



# SBT Partners - Food Security Programs

## SBT supported the work of **100+** community-based organizations

African Community Housing & Development	FamilyWorks	Marvin Memorial Fund's	Seattle Indian Health Board
Alimentando al Pueblo	FareStart	Mary's Place	Seattle Public Schools – Culinary Services
American Polynesian Organization	Farmstand Local Foods LLC	Mendoza's Mexican Mercado	Serve Ethiopians Washington
Ammana Warehouse & Grocer*	FEEST	Mercy Housing	Society of St. Vincent de Paul
Asian Counseling and Referral Service	Filipino Community of Seattle	Na'ah Illahee Fund	Solid Ground
Atlantic Street Center	First Tongan Senior Nutrition Association	Neighborcare Health Systems	Somali Health Board
Backpack Brigade	Food Lifeline	Neighborhood Farmers Market Alliance	Sound Generations
Ballard Food Bank	For All's	Neighborhood House	South Park Senior Citizens
Basilica Bio	Freeway Park Association's	North Helpline	The Food Bank at St. Mary's
Black Dollar Days Task Force	Friendly Hmong Farms	Nourishian for Life	Tilth Alliance
Black Farmers Collective	Friendly Island of Tongan Seniors, Youth, and Family	Odessa Brown Children's Clinic	Ukrainian Community Center of WA-Seattle
Bridging Wisdom	Fruteria Sandoval	OSL	Union Cultural Center
Byrd Barr Place	Got Green	Pacific Coast Harvest	United Indians of All Tribes Foundation
Casa Latina	Hand and Hand Community Development	Phinney Neighborhood Association	University District Service League
Central Co-op	Harameyn Halal Grocer	Pike Market Senior Center	Villa Comunitaria
Cham Refugees Community	Harborview Medical Center	Pike Place Market Foundation	Voice of South Pacific
Children's Home Society of Washington	Horn of Africa Services	Pike Place Market PDA	Wa Na Wari
Chinatown International District PDA	Hunger Intervention Program	Public Health Seattle & King County	West Seattle Food Bank
Chinese Information and Service Center	InterIm CDA	Puget Sound Labor Agency	yəhaw Indigenous Creatives Collective
Choose to Win Transitional Housing	International Community Health Services	Queen Anne Farmers Market	Young Adult Shelter Seattle
City Fruit	It Takes a Village	Queer the Land	Young Women-Empowered (Y-WE)
Community House Mental Health Agency, Inc.	Jewish Family Service of Seattle	Rainier Beach Action Coalition	
Community Lunch on Capitol Hill	Kaiser Permanente	Rainier Valley Food Bank	
Concord International Elementary	Kandelia	Recovery Café	
Cultivate South Park	Lake City Collective	Restaurant 2 Garden	
Delridge Grocery Co-op	Latino Community Fund	Roni LifeWorks	
Duwamish Valley Sustainability Association	Lee's Produce	ROOTS	
El Centro de la Raza	Lifelong	Safeway Corporation	
Eritrean Community in Seattle and Vicinity	Local Yokels	Seattle Farmers Market Association	
Ethiopian Community in Seattle	Look, Listen, & Learn TV	Seattle Indian Center	

[2023 Annual Report](#)  
(pages 13-39)

# Outcomes

## Child Development Investments

- **709** children from **521** income-eligible families (76% BIPOC) received **\$4.4 million in** subsidies to help cover the cost of child care
- **5** grassroots organizations awarded **\$1.4 million** in funding to provide prenatal and perinatal supports to underserved families
- **185** families served with intensive developmental support
- **827** families served with home visiting supports through Nurse Family Partnerships and ParentChild+
- **70** birth-to-three classrooms received high-quality coaching and professional development on child development

[2023 Annual Report](#) (pages 40-53)



# SBT Partners – Child Development Programs

## SBT supported the work of **20+** community-based organizations

Atlantic Street

CISC

Congolese Integration Network

El Centro de la Raza

Families of Color Seattle

First Place – Main

Global Perinatal Services

Horn of Africa Services

Hummingbird Indigenous Family Services

InterCultural Children & Family Services

Iraqi Community Center of Washington

Learning Way School & Daycare

Neighborhood House

Primm ABC Child Care

Sea Mar Child Development Center

Sound Child Care Solutions – Pinehurst

Southeast Youth & Family Services

Tiny Tots – Othello

United Way of King County

Voices of Tomorrow

YWCA Seattle, King, Snohomish

# Current CAB recommendations and policy priorities

Photo credits: Public Health – Seattle & King County (upper right), Food Equity Fund (lower right), stock image (lower left).



Please see our most recent [2023 Annual Report](#) for more information.

*2024 Annual Report forthcoming*

# CAB 2025 Priorities

- Ensure SBT-funded programs continue to focus on communities most impacted by health and educational injustices.
- Channel the voices, values, and priorities of communities most impacted, and the community-based organizations (CBOs) that serve them, into our recommendations.
- Protect existing food and early learning programs: no cuts to programs/services, even during SBT revenue downturns.
- Ensure SBT revenue is solely used in accordance with [Seattle Municipal Code 5.53.055 - Sweetened beverage tax-Allocation of proceeds](#)) – no SBT swaps or supplantation.
- Remain aware of other funding sources/impacts and track how CBOs are impacted.
- Remain aware of how immigrants and refugees are being targeted by federal immigration policy.

[See our 2025 Work Plan](#)





# CAB 2025 Budget Recommendations

1. Prioritize investments in food and childcare programs, regardless of their City funding source.
2. Use other revenue sources to balance the SBT Fund and bolster SBT investments in food assistance, prenatal-to-three services, and childcare assistance. On this point, the CAB supports amendments to the FEPP Levy package that would include food assistance and Fresh Bucks for families with children.
3. Maintain spending restrictions on the SBT Fund, established by [SMC 5.53.055 - Sweetened beverage tax—Allocation of proceeds](#). Do not use SBT for swaps or supplantation.
4. Increase investments in food and childcare assistance to address worsening food and nutrition insecurity and access to affordable childcare.
5. Pursue new and progressive local revenue options.

## Sweetened Beverage Tax Community Advisory Board

[Webpage](#) | [Briefing Book](#) | [Latest SBT Annual Report](#)

**Date:** May 30, 2025

**To:** Mayor Bruce Harrell

**From:** The Sweetened Beverage Tax Community Advisory Board

**Subject:** 2025 and 2026 Budget Recommendations from the Sweetened Beverage Tax Community Advisory Board

**Cc:** Council President Sara Nelson, Councilmember Alexis Mercedes Rinck, Councilmember Rob Saka, Councilmember Mark Solomon, Councilmember Joy Hollingsworth, Councilmember Maritza Rivera, Councilmember Cathy Moore, Councilmember Dan Strauss, Councilmember Robert Kettle, and Acting City Budget Director Dan Eder

Dear Mayor Harrell,

Enclosed are our recommendations regarding the Sweetened Beverage Tax (SBT) Fund and the City of Seattle's 2025 and 2026 budget. As legislated in [Ord. 125324](#), we have been advising Seattle's elected officials on the SBT budget since 2017, when the Sweetened Beverage Tax Community Advisory Board was first established. However, this year is different and especially urgent.

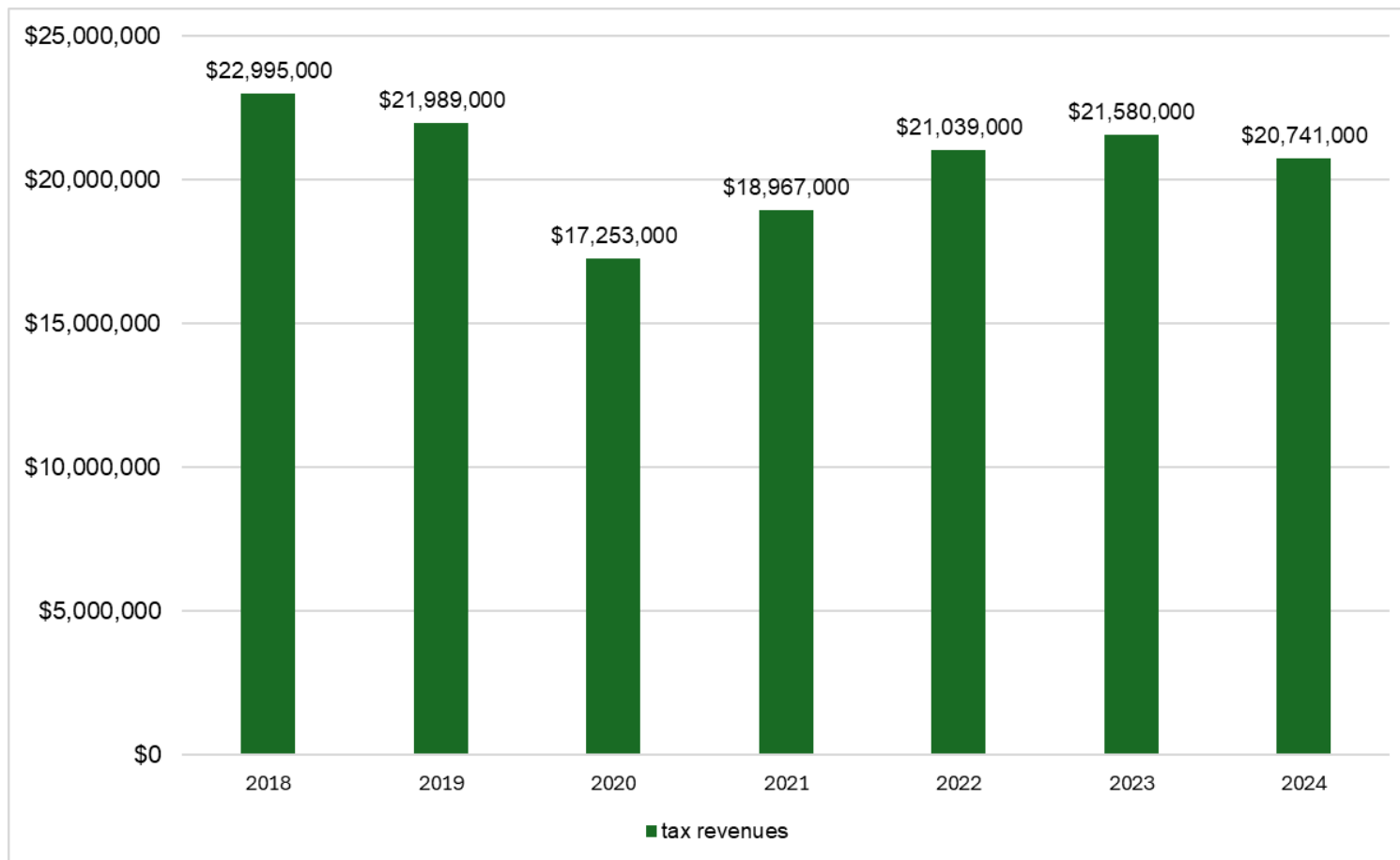
**Seattle's working families and individuals are facing a crisis of COVID-level proportions; however, the situation today is worse from an economic perspective because there is no stimulus or aid coming.** Instead, the social safety net is under attack by the Trump administration, which is actively working to gut programs that address basic needs for low-income families and remove protections for older adults, children, immigrants, and people with disabilities. Working Seattleites already cannot afford healthy food, rent, childcare, and healthcare. Food prices are [up 30% since 2019](#). Hunger relief agencies were already reporting that [food bank visits are up 25%](#) when the United States Department of Agriculture (USDA), under the Trump administration, cut food assistance funding in March. Fresh Bucks has received over 3,500 waitlist applications, for just \$40/month in benefits. The Food Equity Fund received funding requests that were *five times* the funds available for community grants. Childcare is already out of reach for too many in Seattle and Trump's dismantling of Head Start and cuts to the Child Care Development Fund will make it worse.

[Read the recommendations](#)



# SBT's new policy challenge – unstable revenue

## SBT Collections (2018-2024)



- SBT revenue forecasts and actual revenue collections have been volatile.
- 2020-21 dip is related to COVID lockdowns and decreased consumption of fountain drinks.
- **2024 revenue was 9.8% lower than 2018**
- **The SBT Fund has faced budget deficits since 2022—planned program spending outpaces revenues collected.**
- **2025 collections will be an important data point in monitoring revenue trends.**

# SBT's new policy challenge – unstable revenue

## Challenges

- SBT is an excise tax – a tax on a specific good or service. **Excise taxes often have small taxpayer bases, which makes them volatile.**
- The purpose of SBT to curb sales and consumption of sugary drinks. If lower revenues reflect lower consumption, this is good news. **The issue that is that critical food and early learning programs should not have to rely on a revenue source that is intended to decline by design.**
- **SBT does not adjust for inflation and the tax rate cannot be changed** to an industry-backed initiative ([WA I-1624](#)) that prohibits local governments from enacting sugary beverage taxes and prohibits any existing taxes from being increased after January 15, 2018.
- **The SBT Fund has faced budget deficits since 2022**—planned program spending outpaces revenues collected. Cuts have already been made to SBT programs/services.

**The CAB has been speaking out about these challenges for years. See our [2023 presentation to the Finance & Housing Committee](#).**

# SBT's new policy challenge – unstable revenue

**Food security and prenatal-to-three programs/services need diverse and progressive revenue streams to meet urgent need in communities.**

## Recommendations

- Identify alternative revenue sources to address shortfalls in the SBT Fund, e.g.:
  - Families, Education, Preschool, and Promise (FEPP) Levy
  - Other City funds (General Fund, Jumpstart/Payroll Expense Tax Fund)
- Pursue new and progressive local revenue options and ensure food and childcare assistance are part of the spending plan.



Photo credits: Field trip with HSD Senior Meals program (middle); Farm-to-Preschools (right).

# The End. Thank you!

**Sweetened  
Beverage Tax  
Community  
Advisory Board**

[Learn More](#) 