

Amendment 4b to Substitute CB 118965 – Prioritize Uses of Funds (Herbold)

Beginning on page 9, after line 7, amend Section 3 as shown below:

"Section 3. Services funded by the proceeds of the beverage tax are intended to expand access to healthy and affordable food, close the food security gap, promote healthy nutrition choices, reduce disparities in social, developmental, and education readiness and learning for children, assist high school graduates enter college, and expand services for the birth-to-five population and their families.

A. For the first five years that the tax is collected, 20 percent of the net proceeds shall be used to fund one-time expenditures to administer the tax, in support of education, and for training programs. Eligible expenditures include, in order of precedence:

1. One-time costs necessary to enable the administration of the tax;
2. Up to \$5,000,000 in total as a contribution to an endowment for the Seattle Colleges 13th Year Promise Scholarship program;
3. Up to \$1,500,000 in total as funding for job retraining and placement programs for workers adversely impacted by the tax; and
4. Funding for capital projects to construct or enhance classroom facilities for use by the Seattle Preschool Program.

Beginning in the sixth year of collections, the 20 percent set aside under this subsection A shall cease and all net proceeds from the tax collected shall be for programs defined in subsection B of this section.

B. The remainder of net proceeds from the beverage tax shall be used to support, in order of descending priority:

1. Public health, nutrition education, addressing the food security gap, and access to healthy and affordable food through programs including, but not limited to:

- a. Community-based investments to expand food access;
- b. Fresh Bucks and Fresh Bucks to Go;
- c. Implementation of the Seattle Food Action Plan;
- d. Public health and nutrition programs targeted to assist persons experiencing diabetes and obesity;
- e. Public awareness campaigns to highlight the impact of sugar-sweetened beverages on health outcomes and increase education about healthy food and beverages; and
- f. Capital investments to promote healthy choices, such as water bottle filling stations in schools and community centers.

~~((2. Evidence-based programs that improve the social, emotional, educational, physical health, and mental health for children, especially those services that seek to reduce the disparities in outcomes for children and families based on race, gender, or other socioeconomic factors and to prepare children for a strong and fair start in kindergarten.))~~

~~((3.))~~2. Administration of assessing and collecting the tax.

~~((4.))~~3. Ensuring resources for the Office of Sustainability and the Environment the Sweetened Beverage Tax Community Advisory Board.

~~((5.))~~4. The cost of program evaluations conducted by the Office of the City Auditor under subsection 5.B of this ordinance, including costs borne by other City departments in facilitating such evaluations.

5. Evidence-based programs that improve the social, emotional, educational, physical health, and mental health for children, especially those services that seek to reduce the disparities in outcomes for children and families based on race, gender, or other socioeconomic factors and to prepare children for a strong and fair start in kindergarten.

In the annual City budget or by separate ordinance, the City's legislative authority shall from year to year determine the services and funding allocations that will most effectively achieve the goals and outcomes in accordance with Chapter 35.32A RCW."

Effect: Revises the list of program areas to be funded using 80% of sweetened beverage tax revenues in the first five years and 100% in subsequent years. The revised list, in order of decreasing priority, is:

1. Nutrition and food programs;
2. Administration of the tax;
3. Resources for the Office of Sustainability and the Environment to support the Community Advisory Board;
4. Program evaluations by the Office of the City Auditor; and
5. Evidence-based programs to support the social, emotional, educational, physical, and mental health of children.