



**House Taxation Committee
Written Testimony Presented by Derek Hein on behalf of
Kansas Beverage Association
Neutral on SB 248
March 13, 2023**

Mr. Chairman, Members of the Committee:

My name is Derek Hein, and I serve as Executive Director for the Kansas Beverage Association (KBA). The KBA is the state trade association for non-alcoholic beverage bottling companies operating in Kansas. Products manufactured and distributed by members of the KBA include soft drinks, bottled waters, isotonic drinks, juice, juice drinks, sports drinks, dairy-based beverages, teas, and other beverages. We are proud to be a part of the fabric of our great state.

The KBA is neutral on SB 248, as amended by the Senate Committee of the Whole.

The KBA supports the current definition of food in K.S.A. 79-3602c(n). A previous version of SB 248 would have eliminated the sales tax only on “healthy food” and *increased* the sales tax on all items not included under that definition.

Kansas would have been the *first state in the nation* to define “healthy foods”. This is an impossible task as every person in this room would have a different list of “healthy foods”, based on their personal opinions and decisions of how, when, and what products they consume. **Allowing the government to designate grocery items as “good” and “bad” would create a food code more complicated than the tax code.** With thousands of products on the market that must be reviewed, differing taxes established, and collection/enforcement mechanisms developed, this will be an administrative nightmare for manufacturers, retailers, the Department of Revenue and the public.

The KBA believes that choices and information lead to better outcomes:

- There are more than 400 different beverages being sold today that are low sugar or zero sugar.
- You can see these innovations in the grocery aisle, from a variety of protein and vitamin waters, sparkling waters, and flavored waters to zero-sugar sports drinks and iced teas.
- Smaller portion sizes like mini-cans are growing in popularity as we expand them to more brands
- And we have voluntarily placed easy-to-see calorie count labels on the front of every bottle we sell so people can choose what’s right for them.

Consumers are taxed enough and don’t need to be told what to put in their grocery carts. When consumers have choices and clear information, they can choose what is right for them and their families. Today, more than ever, nutritional information is at our fingertips with product labels and internet access. Parents have access to calories, fat, sodium, sugar, protein, common allergy ingredients and much more.



The members of KBA make American products, with American workers, in America's hometowns. **More than 3,206 jobs are provided by Kansas' beverage industry.** Kansas' beverage companies manufacture and distribute some of the most popular nonalcoholic beverages in the world. From products in your neighborhood store to our support of local community initiatives, our presence is felt in every community across the state. We play an important role in the state's economy by providing good-paying jobs, paying significant tax dollars to the state and federal government, and making generous charitable contributions to organizations across the state.

Thank you for the opportunity to provide testimony on this matter.