

M E M O R A N D U M

March 28, 2017

TO: Government Operations and Fiscal Policy Committee

FROM: Amanda Mihill, Legislative Attorney *(AMH)*

SUBJECT: **Worksession:** Bill 1-17, Contracts and Procurement – Vending Machine Service Contracts – Healthy Vending Standards

Bill 1-17, Contracts and Procurement – Vending Machine Service Contracts – Healthy Vending Standards, sponsored by Lead Sponsor Councilmember Leventhal and Co-Sponsor Councilmember Rice, Council President Berliner, Councilmember Navarro, Council Vice-President Riemer and Councilmembers Elrich and Hucker, was introduced on February 7, 2017. A public hearing was held on February 28.

Bill 1-17 would require certain vending machine service contracts the County enters into to adhere to certain nutrition standards, and labeling and product placement requirements. Under Bill 1-17, all new vending machine contracts entered into must require:

- all food or beverage items offered for sale be less than 0.5 grams of trans-fat per serving and no more than 200 milligrams of sodium per package; and
- any beverage offered for sale be less than 250 calories or 20 fluid ounces.

These nutrition requirements would go into effect for any vending machine service contract entered into on or after the date of enactment of the legislation. In addition, the bill sets forth certain “healthy vending standards” (©2-3, lines 17-40). Any vending machine service contract entered into on or after July 1, 2017 must require at least 50% of the food and beverage items offered for sale meet the healthy vending standards. This increases to 65% for any vending machine service contract entered into after July 1, 2018.

Background

The County’s current service contract with the vending machine company that stocks county vending machines has specifications for healthy snack offerings (see excerpt attached on ©12-13). There are some differences between the contract and Bill 1-17. For instance:

- Contract requires that 50% of all the items in the snack machine be no more than 200 calories per package, less than 0.5 g trans fat, and no more than 200 mg sodium. The contract has a “goal” of increasing the 50% to 90%. The bill requires that 100% of snack food meet this criteria for any contract entered into after the date of enactment.
- In addition the basic requirement in the previous paragraph, the bill and contract contain similar language requiring no more than 35% of calories from total fat; no more than 10% of calories from saturated fat; and no more than 35% of calories from total sugars. The contract requires 50% of snack items to meet this additional requirement with the goal of 90% by the end of the contract term. In contrast, the bill requires 50% for any service contract entered into after July 1, 2017 and 65% for any service contract entered into after July 1, 2018.
- The contract has specification regarding grain products and product placement and number of slots for certain snack foods.

The last contract for vending services contract was executed in April 2016. Committee members may wish to inquire as to the status of implementing the healthy vending requirements of the contract with staff from the Department of General Services.

Summary of Testimony/Correspondence

The overwhelming majority of testimony and correspondence the Council has received was supportive of Bill 1-17 (see testimony and correspondence on ©14-36). The Council received over 100 letters from constituents supporting Bill 1-17 and rather than reprint them all in this packet, Council staff has attached a sample letter, from one constituent, that is representative of most of the individual correspondence received (©37). The American Beverage Association testified at the hearing that the Association, while not supportive of the bill, did not object to it either (©14-17). Finally, The Greater Silver Spring Chamber of Commerce submitted testimony noting that the Chamber has a company that owns and operates vending machines in private venues in the County and that this member has expressed concern that the bill would discourage him and other companies from doing business with the County (©25).

Council staff understands that the County Executive supports the bill.

Issues for Committee Discussion

There are no significant substantive issues that staff has identified for Committee discussion. Council staff understands that the Department of General Services does not have any issues or concerns with the bill and have already incorporated it in the new vending machine contract.

There is a technical amendment that Council staff believes is necessary for consistency in the bill (©2, lines 14-15):

This Article applies only to County vending [[machines located on property owned by the County]] machine service contracts.

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Bill No. 1-17
Concerning: Contracts and Procurement
 - Vending Machine Service Contracts
 - Healthy Vending Standards
Revised: 1/19/2017 Draft No. 2
Introduced: February 7, 2017
Expires: August 7, 2018
Enacted: _____
Executive: _____
Effective: _____
Sunset Date: None
Ch. _____, Laws of Mont. Co. _____

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmember Leventhal
Co-Sponsors: Councilmember Rice, Council President Berliner, Councilmember Navarro,
Council Vice President Riemer, and Councilmembers Elrich and Hucker

AN ACT to:

- (a) require certain vending machine service contracts the County enters into to adhere to certain nutrition standards, and labeling and product placement requirements; and
- (b) generally amend County procurement law.

By adding

Montgomery County Code
Chapter 11B, Contracts and Procurement
Article XVIII
Sections 11B-78, 11B-79, 11B-80, 11B-81, and 11B-82

Boldface	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

The County Council for Montgomery County, Maryland approves the following Act:

Sec. 1. Article XVIII (Sections 11B-78, 11B-79, 11B-80, 11B-81, and 11B-82) is added as follows:

Article XVIII. Vending Machine Service Contracts.

11B-78. Definitions.

As used in this Article, the following terms have the meanings indicated:

Packaged means bottled, canned, securely bagged, or securely wrapped, whether packaged in a food establishment or a food processing plant.

Vending machine means a self-service machine offered for public use that, upon insertion of a coin, paper, currency, token, card, or key, or by optional manual operation, dispenses servings of food or beverages in bulk or in packages, or prepared by the machine, without the necessity of replenishing the device between each vended operation

11B-79. Applicability.

This Article applies only to vending machines located on property owned by the County.

11B-80. Healthy vending standards.

(a) An item designated as a healthy food choice must contain:

- (1) no more than 200 calories per package;
- (2) less than 35% of total calories from fat, except for foods containing 100% nuts or seeds with no added fats;
- (3) less than 10% of calories from saturated fat; and
- (4) no more than 35% of calories from total sugars, except for 1%, 2%, or non-fat dairy products, non-dairy milk products, fruits, and vegetables.

(b) At least one healthy food choice offered in a vending machine must meet the Food and Drug Administration's definition of "low sodium".

(c) Except as provided in paragraph (d), an item designated as a healthy beverage choice must contain fewer than 40 calories per serving.

(d) The following beverages may also be designated as a healthy beverage choice:

(1) fat-free or 1% low fat dairy milk;

(2) calcium or vitamin D fortified soy milk with less than 200 calories per container;

(3) a container with 12 ounces or less of:

(A) 100% fruit juice;

(B) vegetable juice that contains less than 230 milligrams of sodium per serving; or

(C) fruit juice combined with water with no added caloric sweeteners and no more than 200 milligrams of sodium per container.

11B-81. Vending machine service contract requirements.

(a) Any new vending machine service contract or vending machine service contract renewal the County enters into on or after {date of enactment} must require the following:

(1) Any packaged food or beverage item offered for sale in a vending machine contain:

(A) less than 0.5 grams of trans-fat per serving; and

(B) no more than 200 milligrams of sodium per package.

(2) Any beverage offered for sale in a vending machine must not contain more than:

(A) 250 calories; or

(B) 20 fluid ounces.

- (3) Water without added caloric sweeteners must be stocked in a beverage vending machine.
- (4) Food and beverage items that meet the nutrition requirements in Section 11B-80 must be:
- (A) displayed in a way that is distinguishable from food and beverage items that do not meet those requirements; and
- (B) stocked in positions with highest selling potential, as determined by the Director of the Department of General Services.
- (5) Food and beverage items that meet the nutrition requirements in Section 11B-80 must be comparatively priced or less expensive than products that do not meet those standards.
- (6) Vending machines must display nutritional labeling that complies with the standards for nutritional labeling set forth in 21 Code of Federal Regulations, Sections 101 and 109, or any successor provision.
- (b) In addition to the requirements of paragraph (a), any new vending machine service contract or vending machine service contract renewal the County enters into on or after July 1, 2017 must require that at least 50% of the food and beverage items offered for sale in vending machines meet the requirements in Section 11B-80.
- (c) In addition to the requirements of paragraph (a), any new vending machine service contract or vending machine service contract renewal that the County enters into on or after July 1, 2018 must require that at least 65% of the food and beverage items offered for sale in vending machines meet the requirements in Section 11B-80.

11B-82. Annual report.

The Director of the Department of General Services must submit a report to the County Council and County Executive by September 30 each year. The report must include:

- (a) an assessment of compliance with this Article;
- (b) successes, challenges, and barriers experienced in implementation; and
- (c) any recommendations for improvement of the standards and compliance.

Approved:

Roger Berliner, President, County Council

Date

Approved:

Isiah Leggett, County Executive

Date

This is a correct copy of Council action.

Linda M. Lauer, Clerk of the Council

Date

LEGISLATIVE REQUEST REPORT

Bill 1-17

Contracts and Procurement – Vending Machine Service Contracts-Healthy Vending Standards

DESCRIPTION: Bill 1-17 would require certain vending machine service contracts the County enters into to adhere to certain nutrition standards, and labeling and product placement requirements

PROBLEM: Often, unhealthy snacks are provided in vending machines.

GOALS AND OBJECTIVES: Promote better health by requiring nutritional standards for products offered in vending machines on county property.

COORDINATION: Department of General Services

FISCAL IMPACT: To be requested

ECONOMIC IMPACT: To be requested

EVALUATION: To be researched.

EXPERIENCE ELSEWHERE: To be researched.

SOURCE OF INFORMATION: Amanda Mihill, Legislative Attorney, 240-777-7815

APPLICATION WITHIN MUNICIPALITIES: N/A

PENALTIES: N/A

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MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

GEORGE LEVENTHAL
COUNCILMEMBER
AT-LARGE

MEMORANDUM

TO: Montgomery County Councilmembers

FROM: George L. Leventhal, *Geor* Chair – Health and Human Services Committee

DATE: February 1, 2017

SUBJECT: Legislation - - Healthy Vending Machine Standards

On Tuesday, February 7, I will be introducing the attached legislation requiring that certain vending machine contracts that the County enters into require specific nutritional standards for food and drink products. This legislation would require that at least 65 percent of food and beverage items offered for sale in County vending machines contain no more than 200 calories per package as well as a few other important nutritional aspects.

In 2014 I introduced, and the Council passed, a resolution establishing an ad hoc working group to examine the quality of foods, snacks and beverages offered in vending machines, cafeterias and eateries in County buildings. Raising the awareness of County employees about their nutritional choices and providing healthier options is in line with the recommendations of the ad hoc working group. I am also hopeful that requiring nutritional standards for products offered in County buildings will promote better health.

If you have any questions or if you would like to co-sponsor this bill, please contact Walton Harris in my office.

⑦



ROCKVILLE, MARYLAND

MEMORANDUM

February 27, 2017

TO: Roger Berliner, President, County Council

FROM: Jennifer A. Hughes, Director, Office of Management and Budget
Alexandre A. Espinosa, Director, Department of Finance

SUBJECT: FEIS for Bill 1-17, Contracts and Procurement – Vending Machine Service
Contracts – Healthy Vending Standards

Please find attached the fiscal and economic impact statements for the above-referenced legislations.

JAH:fz

cc: Bonnie Kirkland, Assistant Chief Administrative Officer
Lisa Austin, Offices of the County Executive
Joy Nurmi, Special Assistant to the County Executive
Patrick Lacefield, Director, Public Information Office
David Platt, Department of Finance
Dennis Hetman, Department of Finance
Bryan Hunt, Office of Management and Budget
Naeem Mia, Office of Management and Budget

Fiscal Impact Statement

Bill 1 – 17, Contracts and Procurement – Vending Machine Service Contracts – Healthy Vending Standards

1. Legislative Summary.

This bill requires that certain vending machine service contracts the County enters into on or after July 1, 2017 adhere to specific nutritional standards for food and drink products.

- All food or beverage items offered for sale must be less than 0.5 grams of trans-fat per serving and no more than 200 milligrams of sodium per package; and
- Any beverage offered for sale must be less than 250 calories or 20 fluid ounces.
- Any vending machine contract entered into on or after July 1, 2017 must require 50% of the food and beverage items offered for sale meet the above healthy vending standards. This increases to 65% for contracts entered into on or after July 1, 2018.

2. An estimate of changes in County revenues and expenditures regardless of whether the revenues or expenditures are assumed in the recommended or approved budget. Includes source of information, assumptions, and methodologies used.

Our current County Government vending machine contract is a five-year contract effective 4/28/2016 that: adheres to the nutrition requirements under the USDA Competitive Food Standards; fully complies with the bill; will not experience any fiscal impact from its passage.

3. Revenue and expenditure estimates covering at least the next 6 fiscal years.

Bill 1 - 17 has no revenue or expenditure impact to the County Government.

4. An actuarial analysis through the entire amortization period for each bill that would affect retiree pension or group insurance costs.

Not applicable.

5. An estimate of expenditures related to the County's information technology (IT) systems, including Enterprise Resource Planning (ERP) systems.

Not applicable.

6. Later actions that may affect future revenue and expenditures if the bill authorizes future spending.

Not applicable.

7. An estimate of the staff time needed to implement the bill.

No additional staff time will be required to implement the bill by the Department of General Services; the County's vending machine contract administrator.

8. An explanation of how the addition of new staff responsibilities would affect other duties.

No additional staff responsibilities would be added.

9. An estimate of costs when an additional appropriation is needed.

Not applicable.

10. A description of any variable that could affect revenue and cost estimates.

Not applicable.

11. Ranges of revenue or expenditures that are uncertain or difficult to project.

Not applicable.

12. If a bill is likely to have no fiscal impact, why is that the case?

We already comply with health vending machine standards codified in the legislation.


13. Other fiscal impacts or comments.

The proposed legislation does not apply to the County outside agencies.

14. The following contributed to and concurred with this analysis.

Bryan Hunt and Jedediah Millard, Office of Management and Budget

Angela Dizelos and Rick Taylor, Department of General Services.



Jennifer A. Hughes, Director

Office of Management and Budget

2/24/17

Date

Economic Impact Statement
Bill 1-17, Contracts and Procurement – Vending Machine Service Contracts –
Healthy Vending Standards

Background:

Bill 1-17 would require certain vending machine service contracts the County enters into to adhere to certain nutrition standards, and labeling and product placement requirements. Under Bill 1-17, all new vending machine contracts entered into must require: 1) all food or beverage items offered for sale be less than 0.5 grams of trans-fat per serving and no more than 200 milligrams of sodium per package; and 2) any beverage offered for sale be less than 250 calories or 20 fluid ounces. These nutrition requirements would go into effect for any vending machine service contract entered into on or after the date of enactment of the legislation. In addition, the bill sets forth certain "healthy vending standards". Any vending machine service contract entered into on or after July 1, 2017 must require at least 50% of the food and beverage items offered for sale meet the healthy vending standards. This increases to 65% for any vending machine service contract entered into after July 1, 2018.

1. The sources of information, assumptions, and methodologies used.

The current County government vending machine contract is a five-year contract effective 4/28/2016 that adheres to the nutrition requirements under the USDA Competitive Food Standards, fully complies with this bill, and will not experience any fiscal or economic impact from its passage.

2. A description of any variable that could affect the economic impact estimates.

The Bill does not have an economic impact and the legislation does not consist of any variables that could affect estimates.

3. The Bill's positive or negative effect, if any on employment, spending, savings, investment, incomes, and property values in the County.

Bill 1-17 would not have an economic effect on employment, savings, investment, income, or property values in the County. The intent of the Bill is to promote better health by requiring nutritional standards for products offered in vending machines solely on County property.

4. If a Bill is likely to have no economic impact, why is that the case?

See #3.

5. The following contributed to or concurred with this analysis: David Platt, Dennis Hetman, and Robert Hagedoorn, Finance.



Alexandre A. Espinosa, Director
Department of Finance

2/24/2017

Date

EQUIPMENT

The Contractor must provide new or like new, vending equipment to all locations. The Contractor shall provide the vending machines at no cost to the County. All vending machines shall be energy efficient and with remote monitoring features when possible. Machines shall be able to accept a combination of coins or dollar bills and in some cases credit/debit cards. All machines shall be the property of the Contractor. All machines must be removed upon expiration/termination/cancellation of the contract. The list of County locations can be found in Attachment F of this Solicitation.

HEALTHY VENDING PRODUCT SPECIFICATIONS

The County will promote healthier vending which governs the types of beverages and food that can be sold on the County property. In providing vending products and services under this agreement, the Contractor shall comply with the terms of the nutrition standards and shall offer for sale only such products that conform to the requirements set forth below. Examples of foods and beverages that comply with these guidelines are available at the end of this section (Appendix – Approved Products for Machines).

Require 50% of all the items in snack machines meet the USDA Competitive Food Standards as outlined above. The percentage of snack products that meet the following:

1. Per the USDA Competitive Food Standards, 50% of individual SNACK products stocked in all machines must have:
 - A. No more than 200 calories per package
 - B. No more than 35 % of calories from total fat per package
 1. Nuts, seeds, nut/seed butters, and reduced fat cheese are exempt from the total fat standard sweeteners or fats are exempt from the total fat standard
 2. Products consisting of only dried fruit with nuts and/or seeds with no added nutritive sweeteners or fats are exempt from the total fat standard (nuts and/or seeds roasted in oils are not exempt)
 3. Combination products are not exempt and must meet all the nutrient standards
 - C. No more than 10% of calories from saturated fat per package
 1. Reduced fat cheese (including part-skim Mozzarella) is from the saturated fat standard
 2. Nuts and seeds and nut/seed butters are exempt from the saturated fat standard
 3. Products consisting of only dried fruit with nuts and/or seeds with no added nutritive sweeteners or fats are exempt from the saturated fat standard (nuts and/or seeds roasted in oils are not exempt)
 4. Combination products are not exempt and must meet all the nutrient standards
 - D. Zero grams of trans fat per item (≤ 0.5 gram per portion)
 - E. No more than 35% total weight of item (per package) from sugar and caloric sweeteners
 1. Dried whole fruits or vegetable, dried whole fruit or vegetable pieces, and dehydrated fruits or vegetables with no added nutritive sweeteners are exempt from the sugar standard
 2. Products consisting of only exempt dried fruit with nuts, and /or seeds with no added nutritive sweeteners or fats are exempt from the sugar standard (nuts and/or seeds roasted in oils are not exempt)
 - F. No more than 200 mg sodium per item (prepackage)
 - G. For grain products, items must contain at least 50% whole grains by weight or have whole grains as the first ingredient.
 - H. For non-grain products the first ingredient must be one of the main food groups: fruits, vegetables, dairy, or proteins (meat, beans, poultry, seafood, eggs, nuts, seeds, etc.) or be a combination food that contains at least $\frac{1}{4}$ cup of fruits and/or vegetables
 - I. Sugar free chewing gum is exempt
2. In addition to meeting the USDA Competitive Food Standards, the following conditions apply to snacks:
 - A. Require at least 3 slots of dried whole fruits or vegetables, dried whole fruit or vegetable pieces, and dehydrated fruits or vegetables with no added nutritive sweeteners
 - B. Require at least 2 slots of nuts and/or seeds with no added nutritive sweeteners or fats
 - C. Preference will be given to products with 2 grams or more of fiber per serving
3. The following beverage products may be stocked in machines:
 - A. Plain water or plain carbonated water (no size limit)
 - B. Low fat (1%) milk and/or nutritionally equivalent milk alternative (soy/rice), unflavored
 - C. Non-fat milk and/or nutritionally equivalent milk alternatives (soy, rice), flavored or unflavored
 - D. 100% fruit/vegetable juice

IFB #1061173

- E. 100% fruit/vegetable juice diluted with water (with or without carbonation), with no added sweeteners
 - F. Diet teas, diet soda, and other low calorie beverages (less than 40 calories per 8 fluid ounces)
4. In addition to meeting the USDA Competitive Food Standards, the following conditions apply to beverages:
- A. Requires at least 2 slots/buttons water
 - 1. Water should be calorie-free with no added color, flavor, or sweetener of any kind
 - 2. If drinking water is readily available in the vicinity of the vending machine, unflavored seltzer or flavored seltzer that use natural flavors with no added nutritive sweeteners or artificial sweeteners water may be substituted for the 2 slots of water
 - B. Require a maximum of 5 slots/ buttons to stock high calorie beverages (more than 40 calories per 8 fluid ounces), such as sodas and 100% juice beverages. The 5 slot limit applies no matter how many slots are in the machine. High calorie beverages are required to be no more than 20 fluid ounces
 - C. Require water and seltzer be place at eye level, or in the highest selling position and that high calorie beverages should be placed farthest from eye level, or in the lowest selling position
 - D. Require calorie information is posted for each beverage, as packaged

LOST, STOLEN OR DAMAGED EQUIPMENT

Lost, stolen or damaged equipment shall be replaced or repaired (as applicable) at no cost to the County.

PRICING

Items are to be priced competitively. No approval from the County is required for price changes, provided that the product price is below \$3.00.

REFUNDS

The Contractor shall be responsible for the refunds. The Contractor shall attach its refund policy to all machines and provide contact information and instructions on how to obtain refunds for the customers.

SCHEDULE OF SERVICE

The Contractor will service (replenish) all machines on a regularly scheduled basis. It should not be necessary for any department to call the Contractor and inquire as to why machines have not been serviced. Machines are to be stocked on average 1-2 times per week. The contractor will provide to the County, before the machines are placed at the County locations, a schedule as to when the machines will be serviced/replenished. Machines are to be replenished on average 1-2 times per week during business hours (8a.m. – 4p.m., EST) depending on the machine. The Contractor will provide a name, phone number, and email address of a contact person who the County can call regarding concerns with the machines. This person will not be the person who provides the weekly service to the machines. Phone calls and e-mails to this contact person must be responded to within 24 hours of the County's call. A monthly meeting with this contact person will be schedule at the convenience of the County. Once the County has determined that service delivery is meeting expectations, these meetings will be quarterly.

SERVICE CALLS

The County expects prompt service from the Contractor in response to equipment that needs repair or has broken. Service calls shall be addressed within forty-eight (48) hours from the County notification to Contractor. If equipment repairs cannot be made on-site and downtime is determined by the County to be excessive, the Contractor may be required to replace the equipment with a loaner until such time as repairs can be completed or the Contractor provides a permanent replacement. If the Contractor cannot comply within 48 hours, the Contractor must notify the County by email or phone with an alternate plan or arrangement.

SUPPLY OR MERCHANDISE

The Contractor agrees to provide and maintain an adequate supply of merchandise for dispensing in the equipment provided. The Contractor shall be responsible to provide an adequate routing schedule to ensure that merchandise is continuously available and equipment is properly functioning that meets or is better than the County's schedule (e.g., high traffic areas, etc.). Contractor shall, at a minimum, adhere to the schedule as outlined in this solicitation.

SUSTAINABILITY

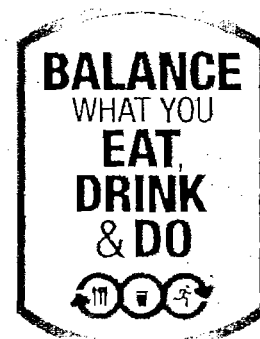
It is recommended that the contractor give preference to products in recyclable or compostable packaging and offer some organic, local, or documented sustainably grown products. It is also suggested that they label products that are organic, local, or documented sustainably grown products, use Energy Star certified machines, and use energy conservation methods such as LED lighting and occupancy sensors that can be added to existing machines (refrigerated and non-refrigerated).

Think Balance Campaign

The "Think Balance" Campaign is a nationwide television and digital campaign designed to talk to moms about how America's beverage companies are working to reduce sugar consumed from beverages in support of her efforts to achieve balance for her family.

Beverage companies are supporting mom in her effort to reduce her families sugar consumption from beverages:

- We are providing new beverage options, information and encouragement to choose a beverage to help reduce your sugar consumption.
 - Soft drinks in a range of calories, sparkling teas and waters, sports drinks, ready-to-drink teas, bottled water, flavored and enhanced waters, juice and juice drinks – are just some of the options that can support her efforts.
- Through a national calorie awareness program our signs are reminders to consider their choices and think "balance" before choosing a beverage that best fits your day.
- We are placing clear calorie information on every can, bottle and pack we produce so that consumers have the information they need right at their fingertips.
- As part of the industry's broader Balance Calories Initiative – a partnership between The Coca-Cola Company, Dr Pepper Snapple Group and PepsiCo with the Alliance for a Healthier Generation - they are working to reduce calories and sugar from beverages in the American diet by 20% by 2025.



Talking to mom about sugar.

- Mom is the primary shopper and influencer in her household and she is striving every day to help her family achieve balance, and reduce their sugar consumption, including her own.
- She welcomes and is responsive to the collective voluntary actions by competitive beverage companies and their engagement in support of her and her family.



The elements of the campaign:

- "Think Balance" is a nationwide television and digital advertising campaign that will run from November 2016 through the remainder of the year.
- Television ads will run on programming predominately watched by moms - including Bravo, Hallmark, HLN, Cooking Channel, HGTV, CNN, Food Network, Lifetime, MSNBC, TNT, USA, TruTV, TV Land, VH1
- Digital ads will be seen where moms interact online – including Facebook, Instagram, Spotify, Undertone, Youtube, Google and Yahoo.

To learn more about our efforts to reduce sugar from beverages, visit **BalanceUS.org** and watch the full "Think Balance" ad on **DeliveringChoices.org** or at <https://vimeo.com/190306071>.

Industry Leadership

It's not always easy to find balance. That's why America's beverage companies – Coca-Cola, Dr Pepper and Pepsi – are spearheading multiple initiatives that help reduce the beverage calories from sugar in the American diet. Whether it's providing more choices with less sugar in stores and removing full-calorie soft drinks from schools, we're always looking for different ways to support your efforts to make balanced choices.

Balance Calories Initiative

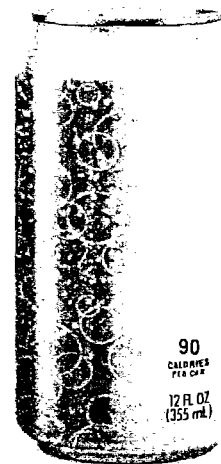
America's beverage companies have made a long-term commitment to reduce the sugar from beverages in the American diet. Working with the Alliance for a Healthier Generation, we set a bold goal to reduce beverage calories consumed per person nationally by 20 percent by 2025. We are working to reach this goal by driving consumer behavior change toward reduced calorie beverage choices and encouraging calorie awareness and balance at the point-of-purchase. And we are enhancing our efforts in five test and learn communities – East Los Angeles, Little Rock, Montgomery, the Mississippi Delta and New York City – where access to reduced calorie options has lagged and obesity rates are above the national average.



- **Think Balance** is a nationwide television and digital campaign designed to talk to moms about how America's beverage companies are working to reduce sugar in beverages in support of her efforts to achieve balance for her family

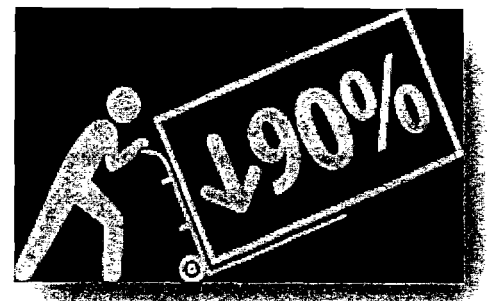
Clear on Calories Initiative and Calories Count Beverage Vending Program

The Clear on Calories Initiative was launched in 2010 to support First Lady Michelle Obama's "Let's Move!" anti-obesity campaign. We added easy to read calorie labels to the front of every can, bottle and pack we produce. The labels display the total calories per container on beverages 20 ounces or smaller and for containers larger than 20 ounces, calories are labeled per 12 ounces in most cases. In 2012, we launched Calories Count on vending machines, providing reminders that Calories Count and to "Check then Choose" right on the point-of-sale to make it easy to consider the calories in your beverage choices and choose the beverage that's right for you.



School Beverage Guidelines

By working with the Alliance for a Healthier Generation, we removed full-calorie sodas from schools through our voluntary National School Beverage Guidelines. We replaced full-calorie sodas with waters, portion-controlled sports drinks, low- and no-calorie beverages and 100 percent juices. And none of our drinks sold in schools exceed 150 calories for every 8 ounces. As a result, we have cut beverage calories shipped to schools by 90 percent since 2004.



To learn more about our leadership initiatives, visit DeliveringChoices.org.

THE BEVERAGE INDUSTRY: We're Delivering in Maryland

A VERY IMPORTANT PART OF
THE LOCAL AND STATE ECONOMY

Maryland Beverage Facts

Employees: 3,826

Salaries: \$303 million/yr.

State Taxes Paid: \$224 million/yr.

Local Charities: \$4.92 million/yr.

Source: 2011 John Dunham
and Associates, Inc.

Made in Maryland: Maryland's local beverage
companies are proud to be an important part
of Maryland's economy.



MD-DE-D.C.
BEVERAGE
ASSOCIATION



PLEASE RECYCLE

The beverage industry is a major contributor to Maryland's economy, manufacturing and distributing some of the most popular non-alcoholic beverages in the world. From products in your neighborhood stores 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 well-paying jobs, paying significant tax dollars to the state and federal government, and making generous charitable contributions to organizations across the state.



MD-DE-D.C.
BEVERAGE
ASSOCIATION

COMMITMENT TO ENVIRONMENTAL SUSTAINABILITY

Maryland's soft drink companies have a longstanding commitment to a cleaner environment, constantly working to improve and develop ways to lessen the environmental impact of manufacturing and delivering our products into your communities. Our environmental initiatives are many and varied and include:

- Ensuring that our beverage containers are 100% recyclable and one of the most recycled packaging in curbside recycling programs.
- Saving energy usage through high efficiency refrigeration technology.
- Cutting down on energy and materials usage by making our product packaging lighter and reusing our transportation packaging.
- Minimizing energy usage and fleet emissions by relying on highly efficient, centralized production and distribution systems for our products.
- Making it easier for people to recycle by relying on packaging materials that are recoverable in most recycling programs around the country.
- Reducing the usage of water by incorporating state of the art wastewater treatment and the reuse of processed water from manufacturing and distribution facilities.
- Supporting recycling efforts through our long-standing use of recycled content in aluminum, glass, and PET plastic beverage containers.

Environmental stewardship is a critical part of our operating philosophy. Beverage producers have always been environmental leaders, and we will continue to innovate and undertake the very best environmental practices to be good to our planet.

COMMITMENT TO HEALTH AND WELLNESS: CLEAR ON CALORIES—CALORIE INFORMATION AT YOUR FINGERTIPS

Maryland's beverage companies are putting new labels on the front of every can, bottle, and pack we produce—making it easier to choose the drink that's right for you. This is all part of our Clear on Calories initiative, announced in February 2010 in support of First Lady Michelle Obama's "Let's Move!" anti-obesity campaign.

Consumers across America are seeing these labels arrive on the front of their favorite beverages, as Clear on Calories arrives in stores. This is yet another way that the beverage industry is helping consumers make informed choices as part of an active, healthy lifestyle.

SCHOOL BEVERAGE GUIDELINES

We promised America's parents that we would change the beverage mix in schools, and our companies—along with their school partners—have delivered dramatic and significant results. With the national School Beverage Guidelines, we removed full-calorie sodas from schools and replaced them with a range of lower-calorie, smaller-portion choices. This has been no easy feat, but it is one we are proud of, and we know will have meaningful and lasting results.

- **Full-calorie soft drinks have been removed.** Shipments of full-calorie soft drinks to schools have **declined by 97%** between 2004, the last comprehensive data available prior to the agreement, and the end of the 2009-2010 school year.
- **Calories available from beverages in schools have been cut dramatically.** In fact, **90% fewer beverage calories** were shipped to schools during that time.
- **We have successfully changed the beverage landscape in schools across the country.** The School Beverage Guidelines provide for a range of lower-calorie, smaller-portion beverage options. As a result, the beverage mix in schools continues to shift to waters, portion-controlled sports drinks, diet drinks, and 100% juices.

The School Beverage Guidelines are common sense, supported by science, and responsive to concerns about nutrition in schools.





American Cancer Society
Cancer Action Network
7500 Greenway Center Dr. Suite 300
Greenbelt, MD 20770
301.758.1255
www.acscan.org

February 28, 2017

TO: President Berliner
Montgomery County Council Members
FROM: Bonita Pennino, MS Government Relations Director
RE: Support for Bill 1-17: Vending Machine Service Contracts, Healthy Vending Standards

Position:

The American Cancer Society supports improving access to healthy foods and beverages, including healthy choices in vending machines.

Background:

Approximately one fifth of all cancer cases expected to occur in the US this year can be attributed to poor nutrition, physical inactivity, and excess weight. Overweight and obesity are clearly associated with an increased risk of developing cancers of the breast in postmenopausal women, colon and rectum, endometrium, kidney, esophagus, pancreas, ovary, liver, stomach, gallbladder, and prostate. Overweight and obesity may also be associated with an increased risk of non-Hodgkin lymphoma, multiple myeloma, and cancer of the cervix.

As a result of the clear relationship diet, physical inactivity, and body weight have with many types of cancer, the American Cancer Society Cancer Action Network supports multi-faceted, population-based policy approaches to improving nutrition and physical activity by removing barriers to healthy lifestyles, changing social norms, and increasing education and awareness of healthy choices. One key strategy for obesity prevention is improving access to healthy foods and beverages, including healthy choices in vending machines.

Often, there is a lack of healthy options when eating away from home, particularly among selections in vending machines. Applying nutrition standards for foods and beverages in vending machines can improve access to healthier selections. Nutrition standards for foods and beverages found in vending machines in government owned and rented facilities can positively impact the eating habits of people working for and visiting government agencies, help shape social norms, and influence the practices and formulations of food companies. Through healthy vending policies, public agencies can provide healthy food and beverage options to many individuals, including employees and visitors to government parks and service agencies.

Government agencies can be a model for healthy eating, reinforce other agency-sponsored, obesity-prevention efforts, and show that healthy food tastes good and can generate revenue. More and more people are interested in healthier snack options. According to a 2010 study by the Snack Food Association, about 74% of consumers are trying to eat healthier, with about 65% eating specific foods to lose weight. Sales of healthier snacks are outpacing traditional snack foods 3 to 1.

Nutrition standards ensure that foods and beverages sold in vending machines in government locations align with the Dietary Guidelines for Americans, the U.S. government's nutrition guidance for the nation. Offering foods and beverages that meet nutrition standards in vending machines located on government property is a promising, low-cost approach for supporting healthy eating and as part of a strategy to address obesity. It also

could decrease the economic burden of obesity, which costs \$150 billion a year – half of which is paid by taxpayers through Medicaid and Medicare.

Montgomery County Council
Bill 1-17
Testimony in Support of Healthy Vending Options

Members of Montgomery County Council:

My name is Barbara Weckstein Kaplowitz and I am a resident of Potomac, MD and a volunteer with the American Diabetes Association.

On behalf of the more than 620,000 Marylanders with diabetes, as well as the additional 1.6 million with prediabetes, the American Diabetes Association urges the Montgomery County Council to pass Bill 1-17. This legislation seeks to adopt certain nutrition, labeling, and product placement standards for foods and beverages offered in vending machines on county property.

Primary prevention of type 2 diabetes for individuals with prediabetes and in the general population, including efforts to reduce obesity and improve nutrition and physical activity, is a legislative priority of the American Diabetes Association. According to the Centers for Disease Control and Prevention (CDC), being overweight is a leading modifiable risk factor for diabetes, and nearly 80 percent of people with type 2 diabetes are overweight. Eating a healthy diet is essential to curbing obesity and avoiding type 2 diabetes and managing type 1 diabetes and its many complications in both children and adults.

According to the Association's *Standards of Medical Care in Diabetes – 2017*, people with diabetes and those at risk should avoid sugar-sweetened beverages in order to control weight and reduce their risk for cardiovascular disease and should minimize the consumption of foods with added sugar that have the capacity to displace healthier, more nutrient-dense food choices.¹

The American Diabetes Association is also a part of the National Alliance for Nutrition and Activity (NANA) and participated in the development of their "Model Beverage and Food Vending Machine Standards" which were created to provide a model for municipal, state, and federal government leased or operated vending machines or vending machines on public property to support the health of their employees or visitors.²

Since Bill 1-17 helps ensure the availability of healthy foods in vending machines on county property, aligns with the Association's prevention efforts, and generally follows the NANA nutrition standards, the American Diabetes Association supports the legislation and urges the Montgomery County Council to pass it.

¹ http://professional.diabetes.org/sites/professional.diabetes.org/files/media/dc_40_sl_final.pdf

² <http://www.diabetes.org/assets/pdfs/community/stop-d-at-work/nana-model-vending-standards.pdf>



**Testimony of the American Heart Association
Stuart Berlow, Director of Government Relations
Bill 1-17: Vending Machine Service Contracts, Healthy Vending Standards
Montgomery County Council
February 28, 2017**

President Berliner and members of the Council, the American Heart Association strongly supports this measure and appreciates the opportunity to present our position. AHA commends the Council for considering this legislation, which will make the healthy choice the easy choice. Once approved, all County residents, visitors, and more than 40,000 employees will more easily be able to choose healthy food and beverage options at Montgomery County facilities.

As you know, the County wisely adopted healthy vending standards through its vending service contract in 2016. To ensure the permanence of this sound policy, AHA recommends swift passage of this legislation, without amendment. This is particularly important since a recent survey indicates that 61% of machines on County property stock mostly unhealthy food and beverage options.

Implementation of healthy vending is especially important given the burden of chronic disease and escalating health care costs in the County. According to 2014 Behavioral Risk Factor Surveillance System data and Healthy Montgomery, currently in Montgomery County:

- Heart disease is the leading cause of death, with more than 1,700 deaths each year
- 29% of adults are obese, and 57% are overweight or obese
- 77% of Hispanics in Montgomery County are overweight or obese, as are 68% of African-Americans and 56% of Whites
- 20% of teenagers in the County are overweight or obese
- 28% of adult residents have high blood pressure
- Only 30% of adults consume the recommended amount of fruits and vegetables
- Only 53% of residents get 150 minutes of moderate physical activity each week
- 17% of teenagers do not engage in any regular physical activity
- Over 175,000 county residents were enrolled in Medicaid in 2014

Despite this Council's strong commitment to the health of county residents, these statistics tell us that much more must be done to combat unhealthy weight and to help employees, residents, and visitors make healthy nutrition choices, and to reduce the County's rising health care costs attributed to chronic disease and unhealthy lifestyles.

Healthy vending can help accomplish this. The legislation before you would ensure that 50% of food and beverages in vending machines on county property meet certain national nutrition standards. This is about providing options; those choosing to consume less healthy food and drinks still can do so.

Implementation of this policy would help all residents and employees achieve a healthier diet by making more nutritious choices while visiting County property. The American Heart Association recommends:

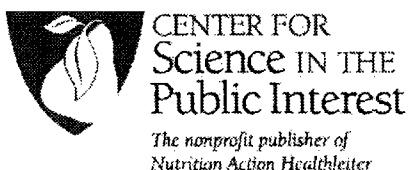
- Consuming less than 1,500 mg of sodium/day
- Limiting intake of added sugar to 6 teaspoons/women and 9 teaspoons/men. For example, one 12-ounce can of soda contains 8 teaspoons, for about 130 calories.
- Limiting the amount of trans fats to less than 1 percent of your total daily calories
- Eating between 25 and 35 percent of your total daily calories as fats from foods like fish, nuts, and vegetable oils.
- Selecting fat-free (skim) and low-fat (1%) dairy products

Aside from the health benefits, jurisdictions that have implemented healthy vending have seen increased profits for vendors and increased sales in machines. Research from the Snack Food Association tells us that:

- 74% of consumers are trying to eat healthier
- 65% of consumers are eating specific, healthier foods to lose weight
- Sales of healthier snacks are outpacing traditional snack foods by 4 to 1
- Sales of healthier foods are increasingly contributing to increased sales growth and profits for food companies

As a result, jurisdictions throughout the country have adopted vending policies to facilitate healthy decision-making. Peer communities including Baltimore City, Washington DC, Mecklenburg County (Charlotte) NC, and Columbia, SC have already enacted healthy vending. This trend of supporting healthy eating in public places is rapidly spreading throughout the country, and adoption would position Montgomery once again at the forefront of national leadership in the promotion of health and wellbeing for residents, visitors, and employees.

The American Heart Association strongly supports this measure and is committed to working with the Council and relevant agencies to implement this policy. Thank you for your consideration and for continuing to foster heart health and wellbeing in Montgomery County. Should you have any questions, please contact me at stuart.berlow@heart.org or 703-248-1722.



February 28, 2017

The Honorable Roger Berliner
Council President
Montgomery County Council
100 Maryland Avenue
Rockville, MD 20850

Re: Bill 1-17, An act to require certain vending machine service contracts the County enters into to adhere to certain nutrition standards, and labeling and product placement requirements; and generally amend County procurement law.

Dear Council President Berliner and Council Members:

Thank you for the opportunity to provide comments. The Center for Science in the Public Interest (CSPI) strongly supports Council Bill 1-17, which expands access to healthier food and beverages options on Montgomery County property.

CSPI is a nonprofit organization supported by our 550,000 members, including more than 800 in Montgomery County. Since 1971, we have advocated for nutrition and food safety policies to make it easier for people to eat healthfully so they can avoid heart disease, high blood pressure, cancer, diabetes, and other diet- and obesity-related diseases.

This commonsense, public health measure would improve the nutritional quality of foods and beverages in County-owned and operated vending machines and would support the efforts of Montgomery County residents and employees to choose healthier products, reducing their risk of heart disease, diabetes, and other nutrition and obesity-related diseases.

A national study found that only 5 percent of vended foods on state or local property are healthy options. Candy, chips, and sweet baked goods make up more than 80 percent of the products available in food and vending machines on public property. But consumers want healthier foods. According to a survey by the Snack Food Association, three-quarters of people are trying to eat healthier. States and localities are responding by adopting nutrition standards for the foods and beverages on their public property and/or through their programs. To date, more than 100 jurisdictions have chosen to offer healthier foods and beverages on public property, and many more are in the process of adopting similar policies.

In addition to CSPI, the Centers for Disease Control and Prevention, the Institute of Medicine, the Bipartisan Policy Center, the National Alliance for Nutrition and Activity, the American Heart Association, and others have listed nutrition guidelines for public places and community

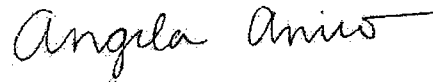
institutions as a priority strategy for reducing obesity, diabetes, heart disease, and other diet-related chronic diseases.

Please let me know if I can provide any additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Margo Wootan", with a long horizontal line extending to the right.

Margo G. Wootan, DSc
Director, Nutrition Policy

A handwritten signature in black ink, appearing to read "Angela Amico", with a horizontal line extending to the right.

Angela Amico, MPH
Policy Associate



February 27, 2017

Council President Roger Berliner
and Members of the Council
Montgomery County Council
100 Maryland Avenue
Rockville, Maryland 20854

RE: Bill 1-17 – Contracts and Procurement – Vending Machine Service Contracts – Healthy Vending Standards

Dear Council President Berliner and Members of the Council:

On behalf of the Greater Silver Spring Chamber of Commerce, I am submitting this letter in lieu of testimony to express the concerns of some of our members about Bill 1-17. Among our Chamber's members is at least one company that owns and operates vending machines in private venues in Montgomery County. Unfortunately, neither this business-owner nor I can be at the public hearing. He received notice on Friday of an equipment delivery tomorrow; and I have business in Annapolis at the time of the hearing.

While our member is very open to and supportive of healthy vending, he has expressed concern that the constraints of Bill 1-17 would completely discourage him and other competent companies from doing business with the County.

He offers the following for your consideration. A pair of vending machines (one for snacks and one for beverages) can easily cost a company around \$12,000. You need to sell a lot of snacks and beverages before you begin to break-even, let alone make a profit. The assumption that people will buy more healthy items if they are offered, is not based on the reality of consumer habits. He can cite several healthy-only vending companies that have not made it. In fact, he got into the business focusing primarily on healthy vending and quickly realized that he would not be able to recoup his return on investment if he could sell only healthy snacks and beverages. In his current business model, he includes many healthy snacks and beverages, based on customer demand. However, he recognized that he could not cover his machine and operating costs if he did not offer a good selection of traditional snacks and beverages as well.

If Montgomery County implements this law, he and likely many other professional and sustainable vending companies will not even consider bidding on a County vending contract. Under the restrictions in this bill, they simply would not risk the capital investment to do business with County.

Encouraging County employees, and visitors to County facilities, to eat healthier diets is a laudable endeavor. However, it seems that the stipulations in this bill go too far. Perhaps an incentive for either vending machine companies or consumers to make healthier selections would be a smaller, but effective step in the right direction.

Thank you for your consideration of these concerns.

Sincerely,


Jane Redicker
President



February 24, 2017

2017 SESSION POSITION PAPER

BILL: 1-17, Contracts and Procurement - Vending Machine Service Contracts - Healthy Vending Standards

POSITION: Letter of Support

BILL ANALYSIS: Bill 1-17 requires certain vending machine service contracts the County enters into to adhere to certain nutritional standards, and labeling and product placement requirements. Under Bill 1-17, all new vending machine contracts entered into must require (a) all food or beverage items offered for sale be less than 0.5 grams of trans-fat per serving and no more than 200 milligrams of sodium per package; and (b) any beverage offered for sale be less than 250 calories or 20 fluid ounces.

The Montgomery County Food Council urges you to SUPPORT this bill as it allows for the continuation and expansion of existing County procurement policies that increase the availability of healthy food options in vending machines. For the past three years, Montgomery County has ranked the healthiest county in Maryland according to the Robert Wood Johnson Foundation's County Health and Roadmap Rankings, due in part to Montgomery County's progressive health and wellbeing policies, including indoor and public smoking and e-cigarette restrictions, restaurant menu labeling, and county procurement regulations that require healthy vending machine options on County property. Selling high-calorie, low nutritional-value foods in vending machines on County property without simultaneously providing healthier choices sends the wrong message to our community. Providing healthier vending options in machines on County property has the potential to lower the incidence of food-related chronic illnesses, such as obesity, heart disease, and some forms of cancer, when combined with a healthier diet at home.

The Montgomery County Food Council is an independent council formed and led by individual community members and representatives of local businesses, government, non-profit organizations, and educational institutions that broadly represent the food system both substantively and geographically. Our mission is to bring together a diverse representation of stakeholders in a public and private partnership to improve the environmental, economic, social and nutritional health of Montgomery County, Maryland through the creation of a robust, local, sustainable food system. Our vision is to cultivate a vibrant food system in Montgomery County that consciously produces, distributes, and recycles food, making it accessible to all residents while promoting the health of the local food economy, its consumers, and the environment.



For these reasons, The Montgomery County Food Council supports Bill 1-17 and urges you to vote FOR this bill. For more information, please contact Heather Bruskin, MCFC Executive Director, at 806-395-5593 or hbruskin@mocofoodcouncil.org.



TO: Roger Berliner, President, Montgomery County Council
Members, Montgomery County Council

FROM: Montgomery County Medical Society

DATE: February 28, 2017

RE: **SUPPORT – Bill 1-17 – Healthy Vending Standards**

On behalf of more than 1,500 Montgomery County Medical Society physicians, Mr. President and members of the County Council, thank you for the opportunity to offer my **strong support** for Montgomery County Bill 1-17, Healthy Vending Standards.

Improving our food environment is a crucial component of obesity prevention. The Healthy Vending Standards Bill is an effective, incremental approach to reducing the burden of poor nutrition and obesity in Montgomery County.

- More than half of all adults in Montgomery County are overweight or obese.ⁱ
- **Almost one in four children in Montgomery County are overweight or obese.**ⁱⁱ This rate outpaces the national average.ⁱⁱⁱ
- Risk factors in Montgomery County are disproportionately concentrated in minority communities, communities of color, women, and low-income households.^{iv}

The Institute of Medicine provides evidence-based **recommendations for local government action** to prevent obesity, especially among children. One such recommendation is to increase healthy food and beverage options in worksites, recreation centers, and other public venues.^v

- **Increasing healthy options in public vending machines can improve dietary behavior and body mass index (BMI).**^{vi,vii}

On behalf of the Montgomery County Medical Society, a chartered component of MedChi, The Maryland State Medical Society, I offer my **strong support** for Bill 1-17 as an effective way to protect the health of all those who live, work, and play in Montgomery County.

i. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.
ii. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.
iii. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.
iv. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.
v. Institute of Medicine, "Dietary Guidelines for Americans," <http://www.dietaryguidelines.gov/>, accessed Feb. 28, 2017.
vi. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.
vii. American Medical Association, "Obesity and Overweight," <http://www.ama-assn.org/speicalty/obesity>, accessed Feb. 28, 2017.

To: President and Members, Montgomery County Council
From: NAACP State Chapter
Date: February 28, 2017
Subject: SUPPORT – Bill 1-17 Healthy Vending Standards

One of the NAACP State Chapter mission's is to significantly improve food security and community well-being of all who live, work, study, worship and play in Montgomery County. As representatives and advocates for the community, particularly those most vulnerable, we are concerned about the impact of unhealthy food environments on the health of Latinos and African Americans. Our research shows that these groups are disproportionately targeted by major corporations through predatory marketing and sales that are damaging.

But due to the disproportionate burden of obesity and other chronic diseases in our community, we fight an uphill battle. More than half of Montgomery County's residents suffer from cardiovascular disease, and minorities are impacted at much higher rates.

Additionally, the lack of healthy options available to our children has placed them at great risk for serious consequences; half (50%) of Latino children born after 2000 are projected to develop Type 2 diabetes.¹ This epidemic could mean that our children are the first generation to not live as long as their parents. The massive burden of chronic disease will place great strain on families, communities, hospitals, and budgets, in addition to decreasing the productivity and potential for these children as they grow up.

Everyone should have healthier options for food and drinks. Studies show that three-quarters of people are trying to eat healthier², but lack of healthy options in vending machines could impair their ability to do so.

Montgomery County Bill 1-17 will allow for those most marginalized to have the opportunity to choose healthier options that can benefit them. These options can help reverse the rising rates of cardiovascular disease and type 2 diabetes. By making healthier food and drinks more widely available in vending machines located on county property like parks, recreation centers and libraries this bill will help make the healthy choice the easy choice for children and their families.

All families regardless of social or economic circumstances should be afforded the same opportunities to help improve health. That is why we, the NAACP state chapter, support this bill.

We hope that you will vote in favor of Montgomery County Bill 1-17.

1. CDC, 2011
2. Snack Food Association, 2010

TO: Roger Berliner, President, Montgomery County Council
Members, Montgomery County Council
FROM: R. Lindsey Parsons, Executive Director, Real Food for Kids - Montgomery
DATE: February 28, 2017
RE: **SUPPORT** – Bill 1-17 – Healthy Vending Standards

Mr. President and members of the County Council, thank you for the opportunity to offer my **support** for Montgomery County Bill 1-17, Healthy Vending Standards and thank you council members who are already co-sponsors of this bill.

Real Food for Kids - Montgomery is a grassroots parent and student organization with more than 4400 supporters in the county. While our primary mission is healthier school food, we are also strong supporters of improving the snack environment outside of schools, in the places like libraries where many kids go after school and in county buildings, where parents come to conduct business, with kids in tow. We support this legislation because it will make it easier for our kids to make healthy choices when approaching vending machines on their own, make it easier for us to get our younger kids a healthy snack when out and about, as well as offer us adults some healthy options, which are sadly lacking in most vending machines.

Eating a nutritious, balanced diet is essential for good health and well-being at every stage of life, but is especially important for children and adolescents. Vending machines that are ubiquitous and are filled with calorie-dense, nutrient-poor junk food only contribute to the growing childhood obesity problem in our country. The CDC's Youth Behavior Risk Survey from 2015 showed that **21% of high school students in MCPS were overweight or obese, which was a 1% rise from the previous survey in 2013.** The health risks for obese children and teens are no less serious than they are for adults, which include heart disease, type 2 diabetes, high blood pressure, and social stigma.

The financial consequences of not addressing the epidemic of childhood obesity and type II diabetes are huge. Since 1980, obesity prevalence among children and adolescents has almost tripled. **The cost of health care for obese adults is 42% more than adults at a healthy weight.**ⁱ According to the CDC, if the trend in childhood obesity continues, one in three children born in 2000 or later will suffer from diabetes at some point in their lives.ⁱⁱ 10.1% of Maryland adults already have diabetes. People with diagnosed diabetes, on average, have medical expenditures approximately 2.3 times higher than those without diabetes, 62.4% of which falls to government programs to pay.ⁱⁱⁱ

While it is hard to envision anyone objecting to a bill that simply asks that companies offer healthier choices along with unhealthy choices (except the companies that sell those unhealthy


products), one concern you may hear is that this might affect the vending revenues. This concern is most likely unfounded, as a program of 100% **healthier vending machines in Chicago Parks**, which serve almost 200,000 children annually through after-school and summer programs, showed an average monthly per-machine **sales increase** of between \$84 and \$371 with 100% of staff and 88% of patrons reacting positively to the initiative.^{iv}

This legislation will also send an important message to MCPS school board members, which reinforces the support for good nutrition and obesity prevention that the Council has shown for our work in MCPS, so I urge you to pass this bill. Thank you.

ⁱ The State of Obesity: Better Policies for a Healthier America: The Healthcare Costs of Obesity/
<http://stateofobesity.org/healthcare-costs-obesity/>

ⁱⁱ Centers for Disease Control and Prevention, National Center for Chronic Disease Prevention and Health Promotion. The Power of Prevention: Chronic disease . . . the public health challenge of the 21st century.
<http://www.cdc.gov/chronicdisease/pdf/2009-Power-of-Prevention.pdf>

ⁱⁱⁱ American Diabetes Association: The Cost of Diabetes. <http://www.diabetes.org/advocacy/news-events/cost-of-diabetes.html?referrer=https://www.google.com/#sthash.b8uh6eip.dpuf>

^{iv} Mason M, Zaganjor H, Bozlak CT, Lammel-Harmon C, Gomez-Feliciano L, Becker AB. Working With Community Partners to Implement and Evaluate the Chicago Park District's 100% Healthier Snack Vending Initiative. *Preventing Chronic Disease: Public Health Research, Practice, and Policy* 2014;11:140141. DOI: <http://dx.doi.org/10.5888/pcd11.140141>

TO: The Honorable Roger Berliner, President and
Montgomery County Council Members
FROM: Shawn McIntosh
Executive Director, Sugar Free Kids Maryland
DATE: February 28, 2017
RE: **SUPPORT** – Montgomery County Bill 1-17
– *Healthy Vending Standards*

2

SUGAR
FREE
KIDS
MARYLAND

I'd like to thank President Berliner and County Council members for their time today. I am Shawn McIntosh, the Executive Director of Sugar Free Kids Maryland. We are a coalition of over 250 organizations, including organizations from Montgomery County, committed to reducing consumption of sugary beverages and snack foods to reduce effects such as unhealthy weight, type 2 diabetes and tooth decay on children and families. I am here today to ask you to support Montgomery County Bill 1-17 – Healthy Vending Standards.

According to Robert Wood Johnson's County Health Rankings, Montgomery County is the healthiest county in Maryland. However, when you dig beneath the surface of those numbers, there are some significant disparities, and there's still the very real fact that more than 57% of Montgomery County's adults are overweight or obese, cardiovascular disease is the number 1 cause of death and certain chronic disease rates continue to rise.

Healthy Montgomery, a county-led initiative, has identified a set of core measures, including obesity rates, cardiovascular disease deaths, and diabetes hospitalizations, that need improvement. Additionally, between fiscal year 2002 and fiscal year 2014, County Government expenditures to provide health insurance to current and retired employees increased by 126%, from \$49 million to \$110.8 million. It is in the County's best interest to do a better job when it comes to improving the food environment on your property.

Currently, despite contracts that call for healthy options, the majority of vending machines on county property offer little choice and mostly high calorie, high sugar, and high fat foods. You cannot make a healthier choice when those choices don't exist. Montgomery County Bill 1-17 Healthy Vending Standards changes this dynamic. And by doing so, the county will also set an example for smaller employers.

Is this bill the magic bullet to ending heart disease, diabetes, and unhealthy weights? No. But the Institute of Medicine, Centers for Disease Control, American Heart and other health experts agree that this bill is the perfect place to start. Reinventing vending machines will help lead to a healthier, less expensive, and more productive and a healthier food environment for visitors to county properties.

Creating a culture of health, where the healthy choice is the easy choice, is something that Montgomery County can accomplish through many acts of leadership, including passing County Bill 1-17 for Healthy Vending Standards. I urge you to lead by example and pass this bill. Thank you.

To: Members, Montgomery County Council

Date: February 28, 2017

From: Marla Hollander

SUPPORT – Montgomery County Bill 1-17 – Healthy Vending Standards

My name is Marla Hollander, I am a Montgomery County resident, mom and public health professional. I am here to support this legislation to make healthy foods and drinks more available to all of us who may visit government buildings, parks, libraries, or other places here in Montgomery County.

I also serve on the board for Real Food for Kids - Montgomery (RFKM). RFKM works tirelessly to mobilize parents, students, educators and community members to promote policies, practices and educational opportunities that improve the food environment and general health and well-being of students in the Montgomery County Public Schools.

Children today face far too many obstacles that stand in the way of being able to make healthy choices, both in the school and in the community. The environments in which we live, work and play often do not support healthy choices. As a mom, I strive to provide my family healthy choices every day. But it's challenging: I buy healthy food options; I teach my kids about healthy choices. But often, I am left without healthy options. When I bring my children to public spaces, like city parks, libraries, or public pools, it would be great to find healthy food or drink options, rather than the junk food that is currently available. I ask the Council to help remove one of the obstacles that make it a daily challenge and consider supporting the healthy vending standards put forward in MoCo Bill 1-17.

Obesity, heart disease, and other chronic diseases associated with unhealthy eating and drinking are among the leading causes of death in our county. Sugary beverages and foods high in sugar, fat, salt and calories take up most of the room in vending machines. Montgomery County Bill 1-17 represents an important response to this known health problem. It provides that at least 50% of the food and drinks offered meet reasonable nutrition standards that ensure choice and promote health. This bill is popular amongst moms and would result in a healthier, happier workforce and residents and provide healthy choices.

Vending machines are often the closest, easiest option for a quick snack. But vending machines that are filled with high calorie, nutrient-poor junk food only contribute to the growing health problems associated with unhealthy weight. Nearly 60% of Montgomery County adults are overweight or obese and too many of our kids are, as well.

Healthy options are out there, but they aren't as readily available to the public as unhealthy choices. This bill can change that. CB 1-17, which offers healthier options in public places could not only prevent more people from dealing with the lifelong effects of chronic diseases, but could also decrease the economic costs of these diet-related healthcare costs.

I ask you to support Montgomery County Bill 1-17 to give moms and kids access to healthy choices and promote greater quality of life for all county residents.

SUPPORT: Bill 1-17 Vending Machines

According to the American Heart Association, 1 in 3 children in America is overweight causing childhood obesity to top drug abuse and smoking in terms of children's health concern. My name is Katherine Reyes. As person who loves medicine and wants to be a cardiovascular surgeon these statistics truly are disheartening. Many of these children are at risk or have type 2 diabetes. Their bodies have had so much sugar intake that their insulin isn't able to bond and bring the levels down, causing the insulin to be overwhelmed and not bond with the glucose in their bodies. The children like all diabetics are 2 to even 4 times more likely to have heart disease problems, and are prone to psychological problems like depression, negative body image and low self esteem.

The location of vending machines at Gaithersburg High School can be seen as an example of how problematic the placement of these machines can impact our health. At school there is only one vending machine that sells bottled water however, there are very few students who actually go to it because it is at the end of the school close to the exit, instead of being near the cafeteria. The majority of the students will eat and hang out at the cafeteria where there are two vending machines filled with junk food and sugary drinks that once thirsty the students will drink because they don't have a visible healthy option.

The same can be easily seen all around with vending machines. The snacks sold in these machines don't have the calorie amount that they carry labeled on them as some of the drinks do. As teenagers we're hungry all the time, however the need for healthier drinks and snacks are crucial to our development and health. It's crucial to have healthier choices at eye level for us to choose, crucial for the vendors of the machines to have at least half of the products to be healthy. It's crucial because 88% of youth, the next generation in Maryland, have a sugar intake that is more than the daily recommended amount. We need healthier choices because we've grown up with commercials that push us to eat unhealthier products, that push us to break recommended values each day, that when we consume too much because there are no healthy options, push us to low self esteem, to being ashamed of our bodies.

Without regulations it is the same snacks in these vending machines that are causing us, the youth, the next generation to have to be on an operating table because our arteries aren't letting blood flow due to fat, to carry water or juice within our bags for our diabetic friends who have to eat healthier but can't because there are no healthier options.

My name is Jacqueline Guzman and I was diagnosed with type 1 diabetes two years ago. In my case, my pancreas doesn't produce insulin. But just like with type 2 diabetes I have to

monitor what I eat. If I consume something that has too much sugar or carbohydrates my glucose levels rise. This is called Hyperglycemia and the effects of this are shortness of breath, fatigue, and sleepiness. So the options for what I can get at vending machines are very limited. I can choose to risk my health by getting what's in the vending machines. This is the reason why on behalf of our Gaithersburg high school club we testify in support of bill 1-17.

We see that this bill is a step in the right direction towards healthy eating to prevent tooth decay, diabetes, and other metabolic diseases from rising. This is a small step towards something big. With 74% of consumers trying to eat healthier, adding healthier snacks, this vending machine proposal will give people more of a choice in what they would like to eat. While chips, candy bars, and soda will still be available, it is crucial to have healthier options present.

A handful of us in the Club approve of this legislation because it includes non-dairy products like soy and almond milk. For the people with different lifestyles like being vegan or vegetarian, this bill will better provide snacks and drinks that fit our diet needs.

We are aware that the large food and drink companies will oppose this legislation because they fear losing money. Even other people will oppose this because they might find the alternatives snacks unpleasant. But we feel that health is more important than profits. People should have different options as to what they can consume because they are paying with their money. The health of the common people should not be compromised because of the want for money that the companies have.

As the future generation, we support this bill. We, the people deserve the right to have healthy options presented to us in vending machines, and with sales of sodas and other sugary drinks down, and sales for healthy snacks up, a change is needed. Thank you.

Katherine Reyes
Jacqueline Guzman
Caroline Boyle
Mikaylah Sayles
Arang Lee
Mikayln Green
Marisa Godhard
Elias Villanueva
Elizabeth Solomon
Victoria Parris
Gina Jacob
Nieves Cruz

On the grounds that as members of Sugar Free Kids at John F. Kennedy High School, and supporters of Bill 1-17 would very much like this legislation be passed, we feel it's important to understand all aspects of the Bill in all its importance.

To simply put it, a bill like this is the sole reason why we joined Sugar Free Kids Maryland. We first and foremost believe that providing the proper, beneficial nutrition to a child while they are under the care and responsibility of a school and school faculty is just as fundamental as the knowledge they intake. It's interesting to consider that schools encourage physical activity and a healthy lifestyle when the Board of Education presents poor vending options for us. When a parent sends their child off to school, they should find comfort in knowing that they won't be surrounded by a plethora of unhealthy food options that promote poor eating habits, in a place that's supposed to be safe for their kids, in every sense of the word.

We believe that the courtesy of healthy food and drink options should be extended throughout the entirety of Montgomery County in places like Montgomery College, the MVA (where teenagers our age go often, starting to get permits/licences), as well as the many other locations where you can find these machines full of processed foods and sugary drinks. The truth of the matter is that the youth are not only limited to being exposed to these unhealthy food options in just one place, they are everywhere, surrounding us. We think it's important that presenting beneficial snack and beverage options as much as we can in as many places as possible is very important, and that starts with this proposal.

The main premise of Bill 1-17 is to first and foremost eradicate the majority of unhealthy snacks that don't meet a specific health standard created in the best interest to the health of adolescents.

We really appreciate that there may be no more than 200 calories per package, all juice must be 100% fruit, and less than 10% of calories can be from saturated fat etcetera.

We also like that the healthier choices cannot be significantly more expensive than those options that don't meet the bills standards. We think it's unfair to be charged more for something that's better for you, rather than the alternative. Another thing we especially enjoy is that in the future these machines would sell products where we don't have to worry about added sweeteners, trans-fats, etc.. You should note the importance of a clear distinction between the bad and good choices are. Additionally, as teenagers, we want to make it clear that we understand the urges and desire for indulging on unhealthy foods and drinks, and that banning them out of our county vending machines entirely is out of the question. This is why we are strongly lobbying for this bill to pass, we believe it is more than reasonable that it is asked for at least half the choices of food and beverage items to meet the requirements of 11B-81 health standards. The way we see it, if adolescents like us are only presented with unhealthy snack options, what choice do we really have?

As you evaluate Bill 1-17, all we ask is that you see the accommodations for how rational they are. We believe that just altering a portion of what is offered in our vending on county property will impact our population's health dramatically, more specifically targeting our youth to make better eating choices.

Vanessa Garcia, Lulit Shewan, Tim Catindig, Ziomara Herrera, Eden Tefera, KC Reyes
Sugar Free Kids @ John F. Kennedy High School

From: Berliner's Office, Councilmember [Councilmember.Berliner@montgomerycountymd.gov]
Sent: Tuesday, February 7, 2017 2:02:25 PM
To: Council President
Subject: FW: Make the Healthy Choice an Easy Choice in Montgomery County's Public Places, Bill 1-17

From: Tracy Brazelton [mailto:tracy.brazelton@heart.org]
Sent: Tuesday, February 07, 2017 2:02 PM
To: Berliner's Office, Councilmember <Councilmember.Berliner@montgomerycountymd.gov>
Subject: Make the Healthy Choice an Easy Choice in Montgomery County's Public Places, Bill 1-17

Dear Councilmember Roger Berliner,

Your residents and visitors need your help. What we eat and drink impacts our health, but we tend to eat what's readily available. Providing healthy options in public vending machines gives employees and families the opportunity to make better choices. That is why I ask you to support Bill 1-17, regarding healthy vending standards, and ensure that healthier items are included among the offerings in vending machines on Montgomery County property.

Making healthy food available in public places lets children and families eat healthy, decreasing their risk for heart disease and diabetes. This has far-reaching impact for the long-term health of our citizens and future health care costs incurred by individuals, families, and the County.

Jurisdictions around the country, including Baltimore City, Washington DC, Mecklenburg County NC, Oklahoma City, and New Orleans have already done so. These localities have created a healthier environment for government employees and visitors by ensuring that food and beverage choices are available in vending machines on government property meet healthy nutrition standards.

I am asking you to do the same and lead by example. I, and many other people, are trying to eat healthier. Please make the healthy choice an easy choice. Please support Bill 1-17 and make sure healthier items are included in vending machines in County facilities.

Regards,
Tracy Brazelton
102 Holmard St
Gaithersburg, MD 20878