

Much more than Kissing Babies

Philadelphia's Tax on Sweetened Beverages to fund Pre-K and Rebuild our Child Play and Learning Public Spaces

QRIS/Build Conference – July 2018





Promises, Promises – You Want Them Elections typically establish a high water mark for policy and investment

Philadelphia Candidate for Mayor Pledges to Find Funds for Universal Pre-K

Pa Governor Established Six Year Goal to Enroll Every Child in pre-K

Campaign Timeline

2013 - Statewide Pre-K for Pa Campaign Launched; Creating Demand for Public Investment

2014 – Campaign for Governor – Pre-K is an top tier issue

2014-2017 – \$100 million in new state dollars for Pre-K

2015 – Pre-K Ballot Question Test Voter Support – 80% yes votes

2016 – Mayor's Race - Pre-K is a top tier issue; winning candidate committed to funding universal Pre-K

February, 2016 – Mayor's 1st Address to Council Proposes Soda Tax for Pre-K

April, 2016 – Mayor and Council joint Commission defines Universal Pre-k and Identify Financing Options including Sweetened Beverage Tax (http://www.phila.gov/universalprek/Documents/Recommendations% 20Report.pdf)

June, 2016 – Council Imposes Soda Tax

January, 2017 – January enrollment of 1st 2000 slots begins





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Employing the Political Hierarchy

- Donors we found influential donors who raised ECE as a key personal issue when approached for contributions
- Opinion-makers we connected key political thinkers with the candidate to share the political benefits of ECE investments
- Ground-forces we didn't have unions or other sorts of organizations that mount field outreach on behalf of candidates will speak to the candidate about ECE investments – but we mounted our own
- Media we had debate moderators and others in the media inquire about
- Business leaders a few key companies spoke to the need for EC for business growth
- New voters we reached young parents who are new voters and helped them judge a candidate by their ECE platform





We Showed the Political Capital of Pre-K

- 124,000 voters voted "yes" on ballot question four, the most votes in favor of a ballot measure since 2007.
- More people voted in favor of Universal Pre-K than five of the primary candidates for Mayor combined! Got nearly as many votes as the Mayoral Primary winner
- The Ballot measure 4 won approval in every ward in Philadelphia, garnering more than 90% of the vote in some.



SMOKES AND COKES?



#rkidsrworthit



What did we get ?

Philadelphia's Sweetened Beverage Tax

- 1.5 centers per ounce
- Applies to all sweetened beverages and syrups, sweetened concentrates use to make a beverage regardless of whether the sweetener is sugar or a diet sweetener
- The tax is collected from distributor, defined as any person who sells sweetened beverages to a retain store or restaurant/bar



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STORIES



For Father's Day, some novel ways to celebrate Dad DOTHIS I WE

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ON ITS FEET LOCAL NEWS | B1

A BUSINESS End is near for **Sports Authorit**

ts Cherry Hill store close kunday. The retailer plan o shutter all locations. A19

Time to review tax abatements

he one-size-fits-all tax sbatement adopted in 200 s overdue for fine-tuning oa Saffron writes D1



the Eagles' core



SRC gives

students

choices

transgender

Policy covers restrooms,

By Mensah M. Dean

STAFF WHITER

pronouns, and more.



Phila.'s 1.5-cent per ounce levy on many drinks is the first such tax in a U.S. city.

By Tricia L. Nadoln STAFF WRITER tiations, but also ensured that the his term, called it a start to "chang national spotlight will stay turned on ing the narrative of poverty in our Health oking to raise millions for a Philadelphia for months, if not advocates hai bold expansion of early years "It's been generations we've beer the vote A12. hildhood education, Phila-Critics quickly vowed a court chalgoing downhill with our kids in ou How the tax elphia City Council on lenge. And as the city introduces the neighborhoods," Kenney said. "And Thursday approved a unprecedented levy - and its eco- it's going to take some time to get us could affect a variety of 15-cent-per-ounce tay on sugar, nomic and public-health effects back But this is the first step back. beverages. A12 sweetened and diet beverages, the come into view - experts, advo-The tax will hit thousands of prod first such tax imposed in a major cates, and legislators will surely be essentially anything bottled ▶ Council also ucts watching closel passes a \$4.2 The 13-4 vote put to bed months of Mayor Kenney, who can count this ther sugar or artificial sweetener billion budget speculation and at-times-bitter nego- as the first major political victory of

TERROR IN ORLANDO

On the lookout but for what?

Obama

honors

victims

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Pulse nightclub

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in Fla.

Revenues

Tax imposed as of February 20, 2017 Total Projected Revenue from the Tax - \$72 million a year

Total Revenue Tacking 10% less than estimate

Amount for Pre-K - \$55 million per year

At full-scale will fund 5,500 slots annually and support provider TA and workforce training of the ECE labor force



Philadelphia Pre-K

- Any child ages 3-5 years old
- No income requirements
- Providers selected based on PA QRIS STAR 3 or 4, Head Start, NAEYC accreditation, lower quality providers given 18 months to reach STAR 3 with TA
- Providers were selected based on quality, stability, and location (with a bias toward high poverty census tracks that have a shortage of high quality childcare/prek
- Standard \$8,500 payment, per child, school day/school year
- Providers are paid via contract for a specified slot level



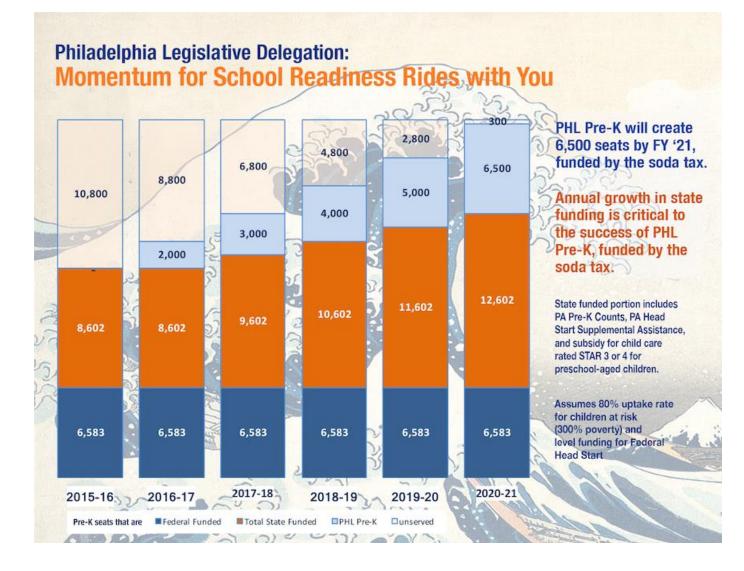




To Sustain our Wins -Philly <u>Mayor Visits New Pre-K's Nearly Every</u> Week



A Rising Tide of Integrated Funding





What Did it Take?

Assets

- Power The winning candidate for Mayor was the biggest champion
- Time A year long process to build support among city council
- Narrative this all happened within the context of a highly visible four year campaign for state investments in pre-k

Funding

- Without funded ground forces we used our ECE infrastructure and parents to win the ballot measure
- We had a \$50,000 grant for a four month public education campaign to win the Soda Tax vote and about \$500,000 was spent by a third party on commercials and ads
- A few unions tapped national resources to support union engagement

Our Biggest Mistakes

- Not enough research to counter misleading claims by industry effected by the tax
- Thinking our city council win was the end of the story – state override pending
- No relationship with the effected union Teamsters
- Underestimated the consumer and supermarket reaction