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Pennsylvania Senate Committee on Local Government
Philadelphia Beverage Tax
October 17, 2017

Good morning Chairman Wagner, Senator Williams, and the members of the Committee on Local Government.

My name is Karissa Lopez. Two years ago, I joined PepsiCo as a pre-sell representative in Philadelphia.

Two years ago, I was working with small business owners – many of whom came from families that immigrated to the United States to work hard and build the American dream.

Less than one year ago on January 1, 2017, because of the Philadelphia Beverage Tax, I watched as the hard work that we all had put in started to unravel.

I am here today to share my story and to serve as a voice for some of my customers who are witnessing -first hand -the devastating impact that the Philadelphia Beverage Tax is having on small businesses in the city.

Within Philadelphia, PepsiCo has seen business decline by approximately forty percent. This decline in business caused the elimination of my role (and the elimination of two of my colleagues' roles as well). While I have been fortunate to be placed in a different role at PepsiCo – outside of Philadelphia – many of my colleagues have not.

Even in my new role, I still receive calls from my former customers who share the hardships they are facing.

Many of my customers were immigrants who run small family businesses and are proud members of our community. They are suffering. Small businesses run on thin margins and rely on beverages for much of their sales and profits. The impact of a 1.5 cent-per-ounce-tax has been catastrophic.

Within a few months of the tax taking effect, two of my former customers shuttered their businesses. After six years of serving the community, another customer sold his business because he couldn't afford to keep it afloat and provide for his family any longer.

And, for those customers that have keep their doors open, I hear regularly of how real the struggle has been as consumers travel outside of the city to buy their beverages... and the rest of their groceries, too.

I urge you to continue seeking the truth and listening to our stories as it relates to the hardships the Philadelphia Beverage Tax has caused for small businesses and hard-working individuals throughout the city.

Thank you for your time and consideration.