

OVERVIEW OF FEDERAL LEGISLATION IMPACTING OUR INDUSTRY

Patent Trolls: House Sub-Committee Advances Demand Letter Bill:

The House Energy & Commerce Subcommittee on Commerce and Trade passed a bill to try and help curb abusive demand letters. The *Targeting Rogue and Opaque Letter Act of 2014* (TROL Act) attempts to grant the FTC additional enforcement authority to go after Patent Assertion Entities (PAE) for sending vague, confusing and misleading demand letters in bad faith. FMI has been working closely with the committee to try and improve the bill to ensure it actually provides relief to end users, such as grocers while protecting the rights of legitimate patent holders. While the bill is a start, there is still work to be done before the bill progresses; including ensuring the FTC actually finds the new authority enforceable and understanding the definition of “bad faith.”

GMO Labeling Federal Update:

FMI met with staff for Rep. Rosa DeLauro (D-CT) to open up a dialogue regarding a [letter](#) by Rep. DeLauro and others to USDA’s Food Safety and Inspection Service requesting clarification and reconsideration of the approval of the use of the term “non-GMO” for certified organic meat, poultry and egg products. FMI expressed the need for an FDA/USDA national standard for defining “non-GMO” type products, and in the meantime, allow for certified organic products to carry a simple “non-GMO” type claim on or near the Organic logo.

The House Agriculture Committee’s Subcommittee on Horticulture, Research, Biotechnology and Foreign Agriculture held a hearing “to consider the societal benefits of biotechnology.” Rep. Rodney Davis (R-IL) chaired the hearing along with Ranking Member Rep. Kurt Schrader (D-OR), where most—if not all—of the dialogue (both from Members of Congress and panelists) focused on the benefits of biotechnology and expressed strong concerns with mandatory GMO labeling—including Rep. Schrader who is an organic farmer himself. It is important to keep in mind that the hearing was hosted by the House Agriculture Committee, a group friendly to U.S. agriculture producers

USDA Announces \$34 Million for Technology Improvements in WIC:

This week, Agriculture Undersecretary Kevin Concannon announced the release of nearly \$34 million in Fiscal Year 2014 funds to WIC agencies in states, territories and Indian tribal organizations in support of technology improvements in USDA’s WIC program. The grants will be used to expand the use of EBT systems in WIC, as well as to replace and improve management information systems to promote greater efficiencies in WIC clinics.

Speculation on Timing of Menu Labeling Rule Continues:

Speculation continues about when the Food and Drug Administration (FDA) will issue its final rule on menu labeling; early July or as early as this week, but we have no definitive news or official word on when exactly the rule will be released. As preparation, FMI is drafting contingency statements and preparing our allies once the rule is released. Upon release of the rule, FMI will request meetings with FDA and OMB officials to discuss their decision making processes that will be reflected in whatever form the final rule takes.

House Democrats Seek for USDA to Allow Organics to be Labeled “non-GMO”:

Last week, Rep. Rosa DeLauro (D-CT) and a group of House Democrats sent a [letter](#) to USDA’s Food Safety and Inspection Service requesting clarification and reconsideration of the approval of the use of the term “non-GMO” for certified organic meat, poultry and egg products. The letter outlined some

concerns with the organic industry's denial of the use of "non-GMO" or "produced without GMO" while allowing other labels to use similar terminology.

Health Care Legislative Updates:

Senate Bill Introduced to Repeal ACA Auto-Enrollment

Under Section 1511 of the ACA, employers with 200 or more full-time employees automatically enroll their full-time employees in health care coverage by their 91st day of employment, unless the employee had opted out prior to the deadline. Employers that are subjected to this requirement are already bound by several other ACA coverage requirements, including an obligation to offer coverage to these same employees.

Final ACA "90-Day Waiting Period" Rules Released

The Internal Revenue Service (IRS) has released [final rules outlining the ACA's 90-day waiting period limitation](#) for offering health coverage to eligible full-time employees. The rule confirms that the 90-day waiting period begins upon the employee's eligibility for coverage (including eligibility for part-time coverage) and allows a waiting period for part-time period for up to 1,200 cumulative hours of service.

Sen. Collins Attempts to Modify ACA "Full-Time Employee" in Financial Services Appropriations

Senator Susan Collins (R-ME) had been planning to offer an amendment during the Senate Appropriations Committee markup of the FY2015 Financial Services and General Government appropriations bill that would require the Internal Revenue Service to change the Affordable Care Act's definition of a full-time employee before the agency begins its enforcement of the law's employer mandates. In order to avoid politically awkward vote by some Democrats, the full Committee mark-up of Financial Services Appropriations bill was not scheduled and appears to have been delayed indefinitely. The House Financial Services Appropriations bill includes a provision that limits IRS's funding for enforcing some of the ACA's coverage mandates.

2013 SNAP Payment Accuracy Rate Reported at 96.8%:

In a blog posted yesterday, USDA Under Secretary for Food, Nutrition and Consumer Services, Kevin Concannon, announced that "the Fiscal Year 2013 SNAP payment accuracy rate is an impressive 96.8 percent." In FY 2000, the payment accuracy rate was 91.1 percent. The Food and Nutrition Act of 2008 requires USDA to issue the payment accuracy rate for the Supplemental Nutrition Assistance Program (SNAP) nationally and state by state.