

Update on National Legislative Actions that Impact Our State

SNAP Program

Possible Impact of Budget Cuts:

As previously reported by FMI, the House-passed budget directs six House Committees to find deficit reductions within their respective jurisdictions. The House Agriculture Committee, which authorizes programs such as SNAP, is tasked with reporting \$33.2 billion in savings by April 27. Over the past few weeks various food industry representatives have met with a number of House and Senate members' offices and Agriculture Committee staffers to discuss how changes in the administration of the SNAP program could affect the grocery industry. The committee is expected to begin releasing proposals in the near future next week.

A good contact for all federal SNAP issues at FMI is Hannah Walker (hwalker@fmi.org).

USDA Report on the Important Role of SNAP:

Recently the USDA's Economic Research Service released a report highlighting the importance of SNAP in the fight against poverty in the United States. This full report is available for review on our website. Look for USADA Report, April 2012.

Latest USDA SNAP Stats

USDA released their latest monthly SNAP participation data, which is from December 2011. It shows that more than 46.5 million Americans participated in SNAP in December 2011. This is an increase of 2.4 million people, compared to December 2010, and 29.6 million more than July 2000, when the program participation nationally reached its lowest point in the prior decade. Increases in SNAP caseloads between December 2010 and December 2011 occurred in 45 states and the District of Columbia. The ten states that registered the largest over-the-year percentage caseload increases were: Iowa (13.7%); Delaware (12.2%); New Jersey (11.7%); Alaska (11.6%); Colorado (10.7%); Hawaii (10.7%); Minnesota (10.5%); Rhode Island (9.9%); California (9.4%); Connecticut (9.0%).

Updates on Other National Legislative Issues:

Menu Labeling Update— Seeking Bill Co-Sponsors; FDA Hearing Next Week:

We hope to soon have final language for legislation to clarify that the chain restaurant menu labeling regulations should not be expanded to include mainstream grocery stores and to provide flexibility for restaurant delivery operations where the majority of orders are placed by customers off-premises. Retailers interested in support these efforts can sign on to letter of support available on FMI's website. Interested Congressional offices should contact Casey Hogan with Rep. John Carter casey.hogan@mail.house.gov, (202) 225-3864.

FDA Commissioner Margaret Hamburg is scheduled to testify shortly before the Senate Agriculture Appropriations Subcommittee, which provides annual funding to FDA. We will provide additional information to you as it becomes available.

L.A. Superior Court Says 10-cent charge for Paper Bags is not a Tax

In the continuing issue regarding plastic bag use – a unique situation has developed in California. The Los Angeles County Superior Court denied a lawsuit by plastic bag manufacturers to block implementation of the County's grocery bag reduction ordinance. According to the California Grocers Association (CGA), the Court determined that the 10-cent mandated charge for paper grocery bags included in the County's bag ordinance was not a tax and therefore the County had not violated requirements for voter approval of the ordinance.

Retailers in the unincorporated area of Los Angeles County have been prohibited from bagging groceries with single-use plastic grocery bags since July of last year. In addition, the County ordinance requires stores to charge consumers the average cost of providing paper bags, which the county set at ten cents.

Last fall, Hilex Poly, the nation's largest producer of single-use plastic bags, filed suit, claiming the ten cents was a tax and therefore violated Proposition 26, a voter-adopted initiative that requires any local taxes to be adopted by a two-thirds vote of the electorate. CGA reports that Plaintiff Hilex Poly has indicated they will appeal the decision.