



frontline

The Official Monthly Publication of the Minnesota Grocers Association

May 2023

2023 Legislature - Massive Budget, New Regulations

The legislature is heading down the homestretch of the 2023 session. Lawmakers are required to pass the state's biennial budget by the constitutional adjournment date of May 23. DFL leadership and Governor Tim Walz have already announced agreed-to budget targets that would grow Minnesota's two-year state budget to over \$72 billion dollars. This would be an increase of more than 30% over the previous budget cycle. Republicans have decried this growth in government "irresponsible" and "unsustainable".

DFL'ers see this session as a huge opportunity to make investments in the areas of education, environmental protection, and equity programs. They also tout \$3 billion in tax cuts and credits, most of which are targeted to low-income Minnesotans and families with children. The proposed budget also includes billions in new taxes and increased fees in all areas – a retail delivery fee, car registration fees, park entry fees, driver & fishing licenses, and metropolitan sales tax increases, and many more.

In addition to big changes to the state's finances, lawmakers are also eyeing major regulatory requirements and new mandates on business. The most impactful for industry are the substantial changes to standards in the areas of labor and environmental rules.

New labor mandates such as required Earned Sick and Safe Time (ESST) and the new massive Paid Family and Medical Leave (PFML) provisions are moving as stand-alone bills and are expected to be passed by the adjournment date. Other labor changes including, voiding of non-compete clauses in employment contracts, new meat and poultry worker safety requirements, warehouse worker safety rules, expanded lactation rights for nursing mothers, requiring adult-sized

changing facilities, and new workplace ergonomics requirements are all moving forward in large omnibus bills.

The environment bills, particularly the House version, are chock-full of new restrictions. The most impactful may be the restriction and eventual outright ban on the use of PFAS chemicals in the state. There are also changes to compostable labeling requirements, objectionable odor mitigation, restrictions on the sale and use of pesticides and treated seeds, and an energy benchmarking requirement for buildings over 50,000 sq.ft.

Additionally, the MGA team is tracking provisions in the agriculture, commerce, public safety, taxes, and workforce development areas. These include a proposal regarding price gouging during a declared emergency, legalization, and sale of recreational marijuana, the creation of the crime of organized retail theft, the establishment of a 5th tier tax bracket, and happily, continued funding of the Minnesota Grocers Association Foundation Carts to Careers program.

There are differences between the House and Senate omnibus bills and conference committees will need to reach agreements as to which provisions are eventually sent to the governor for his signature, but it is expected that most of the provisions highlighted will become law.

The MGA continues to educate leaders about the impacts of their policy decisions and ensure that the voice of industry is heard. With only a one-seat majority in the Senate, there is an opportunity to impact outcomes. Please stay engaged by reading the weekly MGA Capitol Watch email updates, listening to our bi-weekly Capitol Check Out calls, and responding to Calls to Action or requests for input from the MGA Team. **SB**

Thank You MGA Legislative Sponsors



Thank you Legislative Sponsors for your 2023 investment Your commitment supports the efforts of the MGA's Government Affairs Team. **SB**

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Capitol Check Out ✓

The MGA Government Relations Team invites you to join our final Capitol Check Out call of the 2023 legislative session. Open to all MGA members, these conference calls last up to 30 minutes and give you pertinent, up-to-the-minute legislative information from St. Paul. The last call before the end of this legislative session will be on **May 12 at 9:00 a.m.**

Mark your calendars for the MGA's 2023 Session Recap Webinar on **June 8 at 9:00 a.m.** The MGA team will go into greater detail on what laws were passed by lawmakers in St. Paul. **SB**

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2023 MGA Foundation Golf Event & Scholarship Fundraiser

The MGA's Annual Golf Event is fast approaching! Join us on **Tuesday, May 30, 2023**, at The Refuge Golf Club in Oak Grove, MN. This event is brought to you in partnership with the MGA Vendor Leadership Committee. The golf event is the sole fundraiser for the MGA Foundation Scholarship program, which provides scholarship opportunities for your employees and their dependents.



The MGA Foundation will also be hosting its 15th Annual Silent Auction held in conjunction with this event. The auction raises funds for the MGAF scholarship program and 100% of the proceeds directly support education advancement. Back again this year are the ever-popular MGAF Swag Bags. Each attendee will receive one swag bag in their golf cart. See insert for donation information. Registration forms have been emailed out and the deadline to sign up is May 5. Space is limited and filling up fast, so register today. Visit www.mngrocers.com to register. **ST**

2023 MGA Annual Conference

The MGA invites you to the 2023 MGA Annual Conference on **Sunday, July 30 – Tuesday, August 1**, at Madden's Resort in Brainerd, MN. The race is about to begin and you're behind the wheel. All registrations have been emailed — register by **June 2** to guarantee your attendance at this checkered flag event. This three-day action-packed conference is a unique experience that delivers unparalleled networking opportunities, cutting-edge seminars, and socializing events geared toward building relationships between vendors and retailers. The MGA anticipates a sell-out, so sign up today! **KA**



MGA Online Checkout

The MGA's Online Checkout Webinar Series consists of topical and relevant information from regulatory compliance to industry trends critical to your everyday operations. Last month, the MGA was joined by MBOLD on the implementation of Creating a Circular Economy. This webinar provided a greater understanding of new and innovative solutions to plastic film recycling. Visit www.mngrocers.com/members/online-checkout-webinar-series to watch this episode and share it with your team. **KA**



2023 Member Directory Mailed

Our annual member directory is a one-of-a-kind resource tool available only to MGA members. The MGA is a member-driven organization - a community that is integral to the viability of Minnesota's grocery industry.

We are proud of the members we serve and this year we are working on expanding our member base. In your day-to-day business activities, you work with many partners - other retailers, vendors, and suppliers. As you read through the directory, please consider those relationships. **Who's missing?** Let us know and let's get them involved. The MGA wants to make sure that our diverse membership is represented and that every corner of the state has a strong voice. **KA**



HR Corner

Child Labor Laws

With summer right around the corner, child labor laws change as school vacations begin. Please see the insert for information on child labor laws and how they are administered during the summer months.



MGAF Carts to Careers Program

One great program that the Carts to Careers initiative supports is the Retailer Management Certificate (RMC), which is run by Alexandria Technical & Community College. It is an online, nationally recognized, industry-endorsed, 8-course education certificate. The RMC is an accredited business education program and most participants complete it in two years or less.



Tuition support is available through a State of Minnesota grant appropriation and MGAF funding. The next set of classes begins **May 15, 2023**. The application is open, and the cost-share program makes this an affordable way to provide an educational benefit to your employees (\$2,600 per student). To apply simply fill out the form application available at www.mngrocers.com. **RH**

SNAP Updates

SNAP retailers are required to keep certain staple food items in stock at all times. Items must always be available. If they are not, your store could lose authorization for 6 months. One area where there have been recent gaps is in the dairy category. See insert to review the requirements and ensure you are in compliance.



Head Start and Early Head Start programs deliver free, comprehensive services to children ages birth to 5 and their families in the care areas of learning, health, nutrition, and well-being. A recent change makes it easy for SNAP households to apply for this program. See insert and share with your customers. **RH**

Important WIC Update

As part of the Public Health Emergency that started with COVID-19, MN WIC was given a federal waiver to allow participants to purchase 2% milk in place of skim or 1% milk. This waiver is ending June 1, 2023, and 2% milk substitutes will no longer be allowed. You can direct participants to check their My Minnesota WIC app for the latest information. **RH**



MGA Team Update

Please join us in welcoming Rebecca Hailey as the MGA's Accounting and Foundation Manager. Rebecca brings a depth of experience that makes her a wonderful addition. We are fortunate and delighted to have her on the MGA team.



WASHINGTON NEWS

Congress Returns from Recess to Debt Ceiling Fight

Congress returned to DC from a two-week recess to a full agenda, including continued negotiations over the country's debt limit. Without congressional action, the country will run out of borrowing room by as early as June, according to some estimates. Whether this "x date" falls in June or August, it is clear that Congress must act soon.

In mid-April, President Biden signed H.J. Res. 7 into law, which ended the COVID-19 national emergency roughly a month ahead of the previously announced May 11 end date. The resolution does not have an impact on the COVID-19 public health emergency, which is still slated to end on May 11.

Debt Limit Fight Bleeds into SNAP

House Republican leadership has begun to unofficially put together a debt-limit package that includes cuts to SNAP. The package would lift the debt limit until May of next year. Republicans are considering a cap on non-defense discretionary spending or a cap on overall discretionary spending to limit budget growth to one percent annually for the next ten years. The GOP proposal would: Institute work requirements for social programs like SNAP to decrease participation and make it harder for states to waive them, rescind unspent COVID relief funds, prohibit student loan forgiveness, and repeal certain green tax credits.

This package is a Republican wish list and certainly will not be agreed to by Senate Democrats. However, Republican leaders hope that this will jump-start debt limit negotiations with the White House.

MODERN WIC Act and WIC Healthy Beginnings Act Reintroduced:

Senators Kirsten Gillibrand (D-NY) and Roger Marshall (R-KS) reintroduced the MODERN WIC Act to make WIC benefits more accessible by allowing families to certify and recertify for WIC services remotely. Reps. Brian Fitzpatrick (R-PA) and Suzanne Bonamici (D-OR) introduced companion legislation in the House. During the pandemic, waivers and flexibilities to WIC rules allowed families to enroll or re-enroll in WIC through video or phone and allowed remote issuance of WIC benefits rather than picking up benefits or reloading benefits in person at the WIC office, and this bill would codify these waivers. The bill also provides \$60 million in funding to help WIC offices around the country upgrade technology.

Members Urge Congress to Stop the PRO Act

Hundreds of grocers sent letters to Congress urging opposition to the Big Labor bill, the PRO Act. Protecting the Right to Organize (PRO) Act of 2023 carries out a wish list of big labor priorities such as: eliminating state right-to-work laws, limiting work for independent contractors, removing the secret ballot for union elections (i.e. "card check"), requiring employers to provide sensitive employee records to unions, and advancing a litany of other union-backed policies.

Labor Secretary Nomination Grows Increasingly Unlikely

President Biden's nomination for Labor Secretary is challenged again. Already opposed by all Senate Republicans, Julie Su's chances to replace Marty Walsh as Labor Secretary have shrunk further. Sen. Joe Manchin (D-WV) told the Biden administration that he has serious doubts about her. This would mark the third failure of a Biden nomination this year. Because of the current Senate makeup, President Biden needs all Senate Democrats as well as the three independents to advance Su's nomination.

Congratulate MGAF Scholarship Recipients

The MGA Foundation Scholarship Program has ended and recipients will be announced in the coming weeks. Place a Congratulations Advertisement in the Summer 2023 Minnesota Grocer magazine to showcase your company's commitment to great careers and the success of your team members. Ad deadline **May 26**. **KA**



MGA Circular

The MGA Circular is a quarterly email update that provides simple marketing ideas and tools to expand your customer connections. Share the summer grill safety insert with your customers to celebrate May BBQ Month. **KA**



MGA 2023 Annual Conference

July 30 – August 1

Start Your Engine – You're in the Driver's Seat!

There is still plenty of time to sponsor this year's conference. Show your peers you mean business by participating in the only state-wide/industry-wide event. Gain exposure and connect face-to-face with key industry leaders. **KA**

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May 12

MGA Capitol Check Out Call
MGA Program

May 23

MN Legislative Session End
St. Paul, MN

May 30

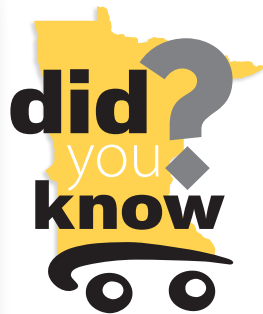
MGA Foundation Golf Event
The Refuge Golf Club
Oak Grove, MN
MGA Program

June 8

MGA Capitol Check Out Session
Recap Webinar
MGA Program

July 30 – August 1

MGA Annual Conference
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MGA Program

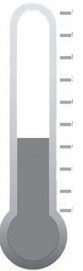


It's not too late to get stripes on your name badge at MGA's upcoming events. The MGAF Golf Event and Annual Conference are around the corner, now is a fantastic time to show your support for industry and get your Food PAC of MN stripes!

The Food PAC of MN is the MGA political action committee. Food PAC funds are necessary to conduct the MGA's government relations work in St. Paul. Your PAC donation is an investment in your business. Stripes are worn at all MGA events for the remainder of 2023. Help us reach the industry's fundraising goal, and show your peers you mean business - please donate today! (See insert) Contributions are only accepted from personal funds. Please make checks payable to "Food PAC of MN." **SB**

The Food PAC of MN needs you in

The Food PAC of MN has raised 43% of its election goal! Thank you for your support!
Invest in Your Business
Donate today!



You Asked it

Q. Are Edible CBD products taxable?

A: Cannabinoid products include products that contain either cannabidiol (CBD) or tetrahydrocannabinol (THC). CBD and THC are chemical compounds extracted from hemp. All cannabinoid products that contain CBD or THC are subject to Minnesota sales tax. **SB**

Questions? Call MGA 1-800-966-8352



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