



# frontline

The Official Monthly Publication of the Minnesota Grocers Association

April 2024

## Legislators Racing the Clock

Spring Break time is typically when things start to come into focus at the legislature. The commotion of weeks of continual committee work begins to ebb as omnibus bills are crafted and debated. The focus shifts from cramped committee rooms to long, drawn-out floor debates on those large omnibus bills. After each body passes their omnibus packages, conference committees are formed, and select members of the House and Senate will try to iron out the difference.

The clock is ticking for legislators as they approach the constitutionally mandated adjournment date of May 20. The state constitution also limits the number of "legislative days" that lawmakers can convene to 120 during the biennium and lawmakers are quickly marching toward that limit. This means that in the next few weeks, legislators will continue racing to beat the clock.

The second year of the biennium is typically focused on policy changes – with some supplemental spending, depending on the state revenues and economic projections. The February budget forecast projected that the state's revenues could not sustain the increased spending passed last year, which will likely lead to a future deficit in FY26/27. With that looming budget shortfall projected for the next budget cycle, the Governor's supplemental budget recommendation called for only \$226 million in new spending. We are also waiting for action on a bonding bill that will make investments into state infrastructure including roads, bridges, water treatment plants, etc.

The MGA Government Relations Team has been busy educating on numerous proposals that would impact industry, particularly in the areas of labor and environment. Extended producer responsibility, establishment

of a bottle deposit program, plastic bag restrictions, new food waste requirements, creation of an electronic waste tax, and other environmental regulations that would have major impacts on industry have been deliberated. New requirements and restrictions on employers including changes to minimum wage rates, retail workers' safety plans, requirements to post salary ranges for every job posting, misclassification of employees, employee cannabis testing rules, unemployment insurance for striking workers, Earned Sick and Safe Time (ESST) changes, and many more have been introduced and debated since session convened.

Discussions continue in other key commerce areas including price transparency, anti-trust rules, the sale of full-strength beer in grocery/convenience stores, the banning of all flavored tobacco products, along with pharmacy reimbursement rates and rules around certain medications and vaccinations that pharmacists are able to dispense.

The MGA continues to educate legislators on the impacts of their policy decisions and ensure that the voice of industry is heard. With only a one-seat majority in the Senate and all 134 House seats up for election in November, there are opportunities. Please stay engaged by reading the weekly MGA Capitol Watch email updates, listening to our bi-weekly Capitol Checkout calls, and responding to calls to action or requests for input from the MGA Team.

**Thank you** to all MGA members who joined us for the 2024 MGA Day on the Hill and Legislative Dinner.



## Thank You 2024 Legislative Sponsors



Thank you, 2024 Legislative Sponsors, for your commitment and support of the efforts of the MGA's Government Relations Team. **SB**

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It was a fast-paced day that included a record-breaking crowd for the Bipartisan Bag-Off in the Capitol Rotunda. The event featured members from each legislative caucus and Governor Walz's administration. House Minority Leader Lisa Demuth (R - Cold Spring) successfully defended her title as Bag-Off Champion with a blistering finishing time. The day also included legislative briefings from the MGA Team and caucus leaders and meetings with legislators. Attendees implored legislators to take a breath and allow businesses and employers time to process and implement the massive changes passed last session before adding new requirements. **SB**



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## 2024 MGA Foundation Golf Event & Scholarship Fundraiser

The MGA's Annual Golf Event is fast approaching! Space is limited and filling up fast, so register today to join us on **Tuesday, May 28** 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 16th 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. The deadline to sign up is **May 6**. See insert for donation and registration information. **SM**



## MGA Online Checkout

The MGA's Online Checkout series consists of topical and relevant information from regulatory compliance to industry trends critical to your everyday operations. This is an exclusive member-only benefit. All webinar recordings are located on the MGA website at [www.mngrocers.com](http://www.mngrocers.com).



The MGA hosted two webinars last month: Paid Family Medical Leave and Federal Reserve General Business Conditions. The MGA was joined by Greg Norfleet, the new Director of the Paid Family Medical Leave (PFML) Division, who gave an update on the implementation of the new PFML program. This was an excellent opportunity for MGA members to hear directly from the department and give input into how the program could work best for employers and employees.

## 2024 MGA Annual Conference

Join us for the 2024 MGA Annual Conference on **Sunday, July 28 – Tuesday, July 30** at Madden's Resort in Brainerd, MN – let the adventure begin! Mark your calendars for this premier industry event. It delivers immense educational value and unparalleled networking in a relaxing and festive atmosphere. Watch your mail for early bird registrations this month – register early as we anticipate a sellout! **KA**



## MGA Promotes Earth Day Initiatives

The MGA is dedicated to being a robust and innovative organization. We are evolving to provide you with the services, programs, and information that are most valuable in today's world. We are committed to utilizing our collective voice to tell industry's story. In honor of Earth Day on April 22, the MGA encourages consumers to reduce, reuse, and recycle. From **April 12 - 22**, the MGA will be giving away 100 reusable bags to any company that shares online how they are supporting the reduce, reuse, and recycle effort. Simply use the hashtag #GrocersGetGreen in social media posts to showcase your company's sustainability efforts. The MGA will also be promoting the food industry's green activities online during this time and will give away 5 reusable bags to customers who engage in the conversation. See insert. **KA**



## MGAF Carts to Careers: Elevate Your Workforce

The MGAF Carts to Careers (CTC) tuition support program application process is continuing for the Retail Management Certificate program run by Alexandria Technical & Community College (ATCC). If you have employees interested in furthering their careers within the food industry, the **application deadline for Summer Semester I (starts May 13) is April 23**. Sign up here: <https://form.jotform.com/92655469798178>. **KC**



## New Fund Reimburses for Costs Accommodations

The MGA has partnered with the Minnesota Department of Employment and Economic Development (DEED) on its Employer Reasonable Accommodation Fund (ERAF). This fund is for small to mid-sized Minnesota employers who can request reimbursement for expenses related to providing reasonable accommodations for job applicants and employees with disabilities. See insert. **KA**

## Marissa Schumacher Competes In NGA Best Bagger

After winning the MGA's Best Bagger Contest last summer, **Marissa Schumacher of Kowalski's Market, Eagan**, went on to represent Minnesota at the National Grocers Association Best Bagger Championship in Las Vegas last month. The MGA membership congratulates Marissa on her fantastic representation of our great state. **SM**



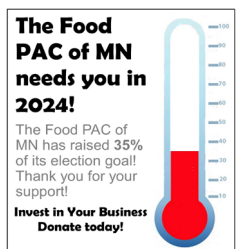
## Local Sales Tax Updates

Beginning April 1, 2024, the following new local sales and use taxes will go into effect. **SB**

- Bloomington Sales and Use Tax 0.5%
- Golden Valley Sales and Use Tax 1.25%
- Polk County Transit Sales and Use Tax 0.5%
- St. Paul Sales and Use Tax 1.5%

## Support the Food PAC of MN

Thank you to those who attended the annual Food PAC of MN dinner to raise funds to aid the MGA's efforts to help RESTORE BALANCE to St. Paul. All 134 seats in the MN House of Representatives will be up for election this fall. Because of the crucial nature of this election cycle, we've raised our fundraising goal to **\$45,000 for 2024**. We need your continued support now more than ever. Every dollar you contribute is used to advance industry and is vital to the work of the MGA Government Relations Team. See insert to donate. **SB**



## Stay Informed with MGA Capitol Checkout Calls

The MGA offers biweekly Capitol Checkout conference calls during the legislative session. The calls last 30 minutes and give pertinent, up-to-the-minute legislative information. Upcoming calls are scheduled for **Friday, April 12** and **Friday, April 26** at 9:00 am. These calls are recorded to easily share with your team members. **SB**

# WASHINGTON NEWS

## Federal Clean Emissions Standards

The Biden administration finalized one of the most significant pieces of its climate agenda with new tailpipe rules for passenger cars and trucks that will push the US auto market toward electric vehicles and hybrids. In a change from the EPA's initial plan released in 2023, the new rules allow for plug-in hybrids instead of pushing automakers to sell only electric vehicles to meet stringent pollution targets. The new rule is targeting 35% to 56% for EVs in 2032, and 13% to 36% for plug-in hybrids. Federal officials said the rule will prevent more than 7 billion metric tons of emissions. By 2032, the new rule is expected to slash passenger car pollution nearly in half from 2026 levels. It should be noted that there is an effort in Minnesota to pass its own Clean Transportation Standards that would massively impact the state's fuel markets.

## Biden's \$5 Trillion Tax Increase Proposal

President Biden sent Congress a fiscal year (FY) 2025 budget that proposes to increase taxes by nearly \$5 trillion for corporations and individuals with incomes above \$400,000. The proposal includes increasing the corporate tax rate to 28% and imposing a 25% minimum tax on high-income individuals. New tax proposals in the FY 2025 budget also include measures to increase the recently enacted corporate alternative minimum tax rate from 15% to 21% and to deny business deductions for employee compensation above \$1 million.

## Government Shutdown Averted

After months of averting shutdowns with eleventh-hour stopgap bills, Congress finally approved a package of six bills in early March to fund many government agencies for the rest of the fiscal year. However, there were several key agencies whose funding was still in doubt, setting the stage for a partial shutdown on March 22, which was also averted at the last minute. The Departments of Defense, Homeland Security, Labor, Health and Human Services, and Education's funding were not finalized until just before the deadline.

## FDA Food Traceability Rule

The Food Traceability Enhancement Act, introduced by Reps. Scott Franklin (R-FL) and Sanford Bishop (D-GA), looks to address some of the most problematic provisions and requirements of the FDA's Food Traceability Rule. The bill would require changes to address compliance challenges with the Rule. These include reducing the recordkeeping requirement from two years to one year, removing Traceability lot code requirements for restaurants, retail food establishments, and warehouses that distribute to these establishments, and requiring the FDA to conduct Pilot Projects and report findings and recommendations from these pilots to Congress.

## SNAP Restrictions Stopped

The SNAP restrictions proposal is likely off the table for FY2024 and it is unlikely to make it into any Farm Bill this year. "The Healthy SNAP Act" would've ended SNAP Choice and instituted the collection of retailer basket-level purchasing data. This proposal would turn grocers into the food police and would lead to increased administrative burden and frustrated customers. The MGA opposed the proposal and engaged Minnesota's congressional delegation to not support the act. These 38 cooperative agreement projects will be implemented starting now until 2026.

## 2024 MGA Member Directory

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**



## 2024 MGA ANNUAL CONFERENCE JULY 28-30, 2024 MADDEN'S RESORT, BRAINERD, MN



Don't miss out – there is still plenty of time to sponsor this year's conference. Sponsoring the Annual Conference elevates your company and shows your commitment to the food industry of Minnesota. Thank you to the below companies who have supported the MGA and are committed to industry. **KA**

## Thank You Survival Kit Sponsors

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**April 16**  
MGA Champions Luncheon  
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*MGA Program*

**May 20**  
MGA Legislative Session Ends  
St. Paul, MN

**May 28**  
MGA Foundation Golf Event  
The Refuge Golf Club  
Oak Grove, MN  
*MGA Program*

**July 28 – 30**  
MGA Annual Conference  
Madden’s Resort  
Brainerd, MN  
*MGA Program*



The MGA has created Share Groups to help facilitate discussions around emerging and continuing challenges for industry. The Human Resources and Loss Prevention Share Groups have already held meetings and will soon be starting an Artificial Intelligence and a Cannabis/THC group. This is an excellent way to shape policy, support MGA objectives, and advance your organization. To get involved – just reach out. **SB**



## You Asked it

**Q:** How can I get more involved the MGA?

**A:** The MGA is seeking members who are interested in advancing the objectives of the association by joining the Council or Foundation Board of Directors. Both are active boards and your participation provides expanded opportunities to get involved in the future direction of the association. The MGA also has positions available for our vendor members. Please consider joining the Vendor Leadership Committee and get more involved in the industry today.

**Questions? Call MGA 1-800-966-8352**



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