

TO:House Committee on Welfare ReformFROM:Brian Posler, Executive Director, Fuel True Independent Energy and ConvenienceDATE:February 4, 2025RE:HB 2015

My name is Brian Posler, and I represent Fuel True Independent Energy and Convenience. We are the nonprofit, statewide trade association representing the independent Kansas Energy distribution companies and over 2000 fuel retailers throughout Kansas.

Mr. Chairman and committee members, thank you for the opportunity to provide testimony opposing HB 2015.

This well-intended but very faulty idea will increase the administrative costs of the program to both the USDA and retailers, and will increase the stigma faced by recipients when they use the benefits, but will not have the benefit of inducing behavioral changes. It's just bad policy. It won't create better nutritional outcomes, but it will make doing business more challenging for retailers on the front line charged with implementing this policy.

1) The definitions make it a mess to implement.

Candy in this statute is defined so that any item with <u>flour</u> listed in ingredients does not qualify as "candy".

So, Twizzlers are not candy. Twix Bars are not candy. Neither are Kit Kats. Milky Ways have barley flour. How much will the educational efforts cost to explain to everyone what can and cannot be eligible under SNAP?

Also, why is diet soda being targeted? Diet sodas are not healthy, but they are much less unhealthy than other items this bill would still permit. What about sweetened, sugary iced teas? Why are they ok but a coke zero is not?

2) It leaves our clerks on the front line as the unwilling enforcement officers of this misguided change in policy.

Clerks often work alone in the store with lines of people waiting to check out.

C-stores don't always have sophisticated POS software on cash registers, instead ringing up orders by hand.

Customers often do not hand over their SNAP card until after everything is rung up—which then leads to difficult, lengthy conversations as we force them to return ineligible items. It clogs up our lines, creates controversy with customers, and makes our clerks' jobs more difficult.

SNAP is not a hugely lucrative business for C-Stores. Currently, it is barely worth the hassle, so a likely outcome is that more C-stores will stop taking SNAP altogether. This could create food deserts in locations where a C-store is the only place within 30 miles to buy a gallon of milk. This will hit the poorest urban neighborhoods and the most rural counties the hardest.

3) The USDA has studied this and opposes this change:

"One of the USDA's primary concerns with any new restriction on SNAP is that it could increase the embarrassment and stigma associated with SNAP use and thereby deter SNAP use. SNAP participants who are unaware of the new exclusion of sweetened beverages would attempt to purchase the excluded item, and it would be embarrassing to be told at the cash register that they cannot purchase it. This embarrassment, in the USDA's words, "has the potential to stigmatize participants by singling them out as food stamp participants, and may discourage some eligible low-income persons from participating in the program."

Exclusions on what SNAP assistance can be used to purchase send the wrong message, implying that poor people (and the bad choices they make) are the problem, when in fact the problem is inadequate physical and financial access to healthy food. Preventing low-income people from purchasing sweetened beverages and junk food will not solve the access problem, because it does not build grocery stores in their neighborhoods or give them enough money to buy all healthy food.

4) The USDA has always opposed and denied these waiver requests.

A few states have already made waiver requests over the years (MN in 2004, NY in 2010, ME in 2018) but the USDA has always rejected those requests. In the most recent case, President Trump's USDA formally rejected the petition, explaining to the media, "When considering waiver requests, USDA focuses on moving people into self-sufficient lives, protecting the integrity of the program, and improving customer service. We don't want to be in the business of picking winners and losers among food products in the marketplace, or in passing judgment about the relative benefits of individual food products."

There is zero evidence that eliminating these items from SNAP eligibility will actually reduce consumption of unhealthy foods. Not a single peer reviewed study exists. There are plenty of other unhealthy ways to spend your SNAP benefits, so why should the bureaucracy pick losers and winners? A Brookings Institution study concluded that "a ban will likely increase the administrative costs of the program to both the USDA and retailers, and increase the stigma faced by recipients when they use the benefits, but not have the benefit of inducing any behavioral changes".

So this bill won't actually help the obesity problem in America in significant ways, but it will make it harder for our retailers to do business.

5) We should wait for the pending changes in the SNAP program at the federal level.

The U.S. Congress is debating a similar bill, authored by Representative Brecheen of Oklahoma. Any policy change is much better done at the federal level, instead of a patchwork of different exceptions in different states.

If Kansas is the only state to implement this, it could have the weird consequences of putting us out of line with any pending changes in the federal program. What if they choose a better definition of candy? Then we would have to come back and make additional changes to get back into compliance.

For these reasons, my members stand opposed to HB 2015. Please do not vote for this well-meaning, misguided bill.