

Testimony before House Agriculture Committee
HB 2102 – clarifying amendment to Kansas Egg Law
Mike O’Neal – Walmart
mike@onealconsultings.com

Testimony in support

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Mr. Chairman and members of the Committee:

Thank you for the opportunity to appear again on behalf of Walmart in support of clarifying amendments to the Kansas Egg Law. Walmart, the largest retailer in America, serves over 160 million customers each week. Walmart has a unique vantage point for the experiences of American consumers as 90% of Americans live within 10 miles of their stores. Counting supercenters, discount stores, neighborhood markets and Sam’s Clubs, Walmart has over 80 retail units in Kansas, employing over 20,000 associates and collecting on behalf of the state over \$375M in taxes. A key component of its retail business involves in-store grocery sales as well as in-home delivery and grocery pickup.

HB 2102 clarifies amendments to the Kansas Egg law added in 2018 – in particular, the provisions dealing with the repackaging of eggs by retailers. This Committee and the House passed our bill last session, but it died on G.O. in the Senate when the Legislature adjourned early.

HB 2102 would align Kansas provisions with USDA regulations for the repackaging of eggs. Walmart’s egg lot consolidation process has been approved and meets USDA requirements. Under the current law, as worded, there are labelling and record-keeping requirements that apply not only to Grade B eggs, but the higher grades as well, something the Kansas Department of Agriculture agrees is not necessary. The higher-grade eggs are those commonly sold in retail grocery outlets.

HB 2102 would clarify the law and appropriately apply the current law’s labeling and reporting provisions to those eggs that cannot be graded higher than Grade B. Grade B eggs are rarely sold in retail stores and are commonly used for commercial liquid and powdered egg products. Walmart and other major retailers do not sell Grade B eggs. Eggs graded higher than

Grade B. Eggs graded higher than Grade B, i.e., those sold by Walmart and other major retailers would come under the requirements of Sec. 1(c) of the bill (page 2 line 4).

Walmart worked with the Kansas Department of Agriculture to come up with clarifying language that addressed retailers' concerns over the labelling and records provisions while retaining KDA's legitimate interest in protections relating to Grade B eggs. HB 2102 is the product of discussions and consensus reached with KDA. We wish to thank Kenneth Titus and Adam Inman with KDA for their wiliness to work with us and come up with mutually acceptable language.

In addition, the Revisor recommended some cleanup language that he can explain to the Committee and which does not affect the provisions Walmart is seeking.

Walmart and Sam's Club are committed to providing customers with safe, quality foods and they have strict lot consolidation policies in place to provide safe, quality eggs. On behalf of Walmart, thank you and I'd be happy to stand for questions. Questions of a technical nature regarding the Kansas Egg Law in general may best be addressed to representatives of the KDA.