MINUTES OF THE HOUSE COMMERCE, LABOR AND ECONOMIC DEVELOPMENT COMMITTEE

The meeting was called to order by Chairperson Mark Hutton at 1:30 pm on Wednesday, February 17, 2016, 346-S of the Capitol.

All members were present

Committee staff present:

Linda Herrick, Kansas Legislative Committee Assistant Reed Holwegner, Legislative Research Department Chuck Reimer, Office of Revisor of Statutes

Conferees appearing before the Committee:

Chad Bontrager, Deputy Secretary, Kansas Department of Agriculture Leslie Kaufman, President and CEO, Kansas Cooperative Council Stacey Forshee, Director, Kansas Farm Bureau Christianne Miles, Treat America Foodservice Jason Watkins, Kansas Restaurant and Hospitality Association Larry Baer, General Counsel, League of Municipalities Sean Gatewood, Kansas Farmers Union Hilary Gee, Government Relations Director, American Cancer Society Cancer Action Network Ashley Jones-Wisner, State Policy Director, KC Healthy Kids Mike Taylor, Public Relations Director, Unified Government Public Relations, Wyandotte County, Kansas City, KS Kevin Walker, Regional Vice President, American Heart Association Paul Johnson, Kansas Rural Center

Others in attendance:

See Attached List

<u>Hearing on: HB2595 — Reserving regulation of consumer incentive items and nutrition labeling</u> for food menu items in restaurants and vending machines to the legislature.

Chairperson Hutton opened the hearing on HB2595. Chuck Reimer, Revisor, gave an overview. This bill would prohibit public entities, cities, counties, and subdivisions from regulating food sold primarily in restaurants or food service entities.

Chad Bontrager, Kansas Department of Agriculture (KDA) gave proponent testimony (<u>Attachment 1</u>). This bill supports KDA's position that the requirements for food labeling should be uniform. In accordance with the Kansas Food Code, KDA has the responsibility for labeling for food allergens and ingredients on food factories and food establishments for consumer protection public health service,

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and this bill should not hinder that effort. The bill supports KDA'a position that food labeling should be a nationwide effort and uniform across the country. This is ongoing at the national level as well. He added some clarification is needed addressing the agency's role in providing statewide requirements for allergens and ingredient labeling.

Leslie Kaufman, representing Kansas Cooperative Council, Kansas Grain and Feed Association, and Kansas Agribusiness Retailers Association presented proponent testimony (<u>Attachment 2</u>). This bill is a step to avoid piece-meal, jurisdiction-by-jurisdiction regulation of food items.

Stacey Forshee, Kansas Farm Bureau, provided proponent testimony (<u>Attachment 3</u>). In the absence of federal regulation on nutrition and menu labeling, the state should control fair food labeling for all counties.

Christianne Miles, Treat America Foodservice, provided proponent testimony (<u>Attachment 4</u>). Since many of the operators have locations in different cities and counties, this bill would regulate nutrition labeling for food and non-alcoholic beverages in the state rather than having different local rules.

Jason Watkins, representing the Kansas Restaurant and Hospitality Association (KRHA), gave proponent testimony (Attachment 5). KRHA stood in support of this bill. A uniform approach in food labeling, nutritional guidelines, controlling consumer incentives is good for the restaurant and hospitality industry. Those decisions should be reserved for the Legislature. Local bans limiting the size of sodas and prohibiting toys in value meals creates cost to business owners and confusion for consumers. Nothing in this bill says that a not-for-profit cannot provide education for the public or members regarding lifestyle choices or healthy eating habits.

Representative Tietze asked Mr. Watkins to clarify about locations where this is happening. He replied New York and San Francisco.

Representative Frownfelter noted if there is a meat processing plant that makes sausage, are they regulated by federal law? Mr. Watkins noted the bill goes beyond the restaurant and includes manufacturing, and the latter is regulated by FDA.

Representative Billinger asked about sales in the summer, and Mr. Watkins noted if not regulated by labeling now, it is not affected. At local farm markets, the person who sells eggs can still put a sign out that eggs are from local chickens. What this bill would prevent is the lady selling brownies at the farmers market, and the City of Wichita regulating that all ingredients must be listed under its specifications.

Representative Mason noted the Board of Agriculture provides certain standards for a micro food processor. There is a format for labeling. However, if goods are sold in Ohio, other labeling requirements must be met. A national, standardized approach is the best.

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Mr. Watkins said that is the intent of the bill, and this is an example of how it affects businesses, the cost involved with multiple labeling. The KDA does a very good job and this bill prevents local governments from requiring additional restrictions.

Written only proponent testimony was given by:

Eric Stafford, Kansas Chamber (<u>Attachment 6</u>) Rodger Woods, Americans for Prosperity (<u>Attachment 7</u>) Greg Krissek, Kansas Corn Growers Association (<u>Attachment 8</u>) Ron Hein, Kansas Beverage Association (<u>Attachment 9</u>) Tucker Stewart, Kansas Livestock Association (<u>Attachment 10</u>) Daniel Heady, Kansas Association of Wheat Growers (<u>Attachment 11</u>)

Larry Baer, League of Kansas Municipalities, provided opponent testimony (<u>Attachment 12</u>). It is LKMs position that local elected officials should be permitted to exercise their home rule right of local control. LKM expressed concern about a section of the bill that prohibits cities from adopting zoning and land use regulations to prohibit farming or raising livestock within the city. LKM would like the opportunity to visit about the language on zoning in the bill.

Sean Gatewood, Kansas Farmers Union (KFU), provided opponent testimony (<u>Attachment 13</u>). KFU has programs to get persons and veterans interested in farming and producing items for sale at local farm markets. This also subsidizes family farm income. KFU has issue with section 2, lines 30, 33 and 41 and conditions about zoning so new farmers markets may be precluded and concerned about large scale corporate pork and poultry production. There are concerns about taxing in communities and units of government. Mr. Gatewood took issue with previous speakers that this bill doesn't include hospitals and schools.

Hilary Gee, American Cancer Society Cancer Action network, gave opponent testimony (Attachment 14). The Cancer Society opposed this bill; local control is essential for good public health.

Ashley Jones-Wisner, KC Healthy Kids provided opponent testimony (<u>Attachment 15</u>). The bill goes beyond regulating soda sizes and creates obstacles that would decrease locally grown food production and access.

Mike Taylor, Unified Government Public Relations, Wyandotte County, Kansas City, KS, provided opponent testimony (Attachment 16). He noted this problem is associated with New York, San Francisco, and other metropolitan cities in the country. He noted this bill is an idea from the American Legislative Exchange Council (ALEC), and local food labeling problems do not exist in Kansas.

Kevin Walker, Regional Vice President, American Heart Association, gave opponent testimony

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(Attachment 17). Very little has been said about the consumer. Eating out is no a once a week treat. One-third of calories are consumed with food served away from the home or 46% of the family budget. Americans are eating out more frequently and has increased over the last 30 years. Food purchased for consumption outside the home tends to be in larger portions than recommended by the USDA. He added this is an over reaction to a non-existent problem in Kansas.

Paul Johnson, Kansas Rural Center, provided opponent testimony (<u>Attachment 18</u>) and (<u>Attachment 19</u>) substituting for Mary Fund, Executive Director, of Kansas Rural Center (KRC). Over the past two years, KRC has traveled throughout the state visiting with people about healthy food access in their communities. KRC opposes <u>HB2595</u> for many of reasons, one of which is subdivision rules. This bill would halt the nine county food policy councils in Kansas and fourteen more that are in formation, and would take away a community's ability to address local food disparities and solutions.

Written only opponent testimony was provided by:

Rachel Alexander, Oral Health of Kansas (Attachment 20) Melissa Wangemann, Kansas Association of Counties (Attachment 21) Bridget McCandless, M.D., Health Care Foundation of Greater Kansas City (Attachment 22) Elizabeth Stewart Burger, Lecompton, Ks (Attachment 23) Marjorie Van Buren, Topeka, Ks (Attachment 24) Amanda Gress. Latino Health for All Coalition and Amanda Gress, Kansas Action for Children (Attachment 25) Lea Ann Seiler, Hodgeman County Economic Development ((Attachment 26) Lougene Marsh, Johnson County Health and Environment (Attachment 27) Billie Hall, Sunflower Foundation (Attachment 28) Jeanette Metzler, Shawnee Mission Health (Attachment 29) Erica Anderson, Kansas Public Health Association (Attachment 30) Jennifer Bruning, Kansas State Alliance of YMCAs (Attachment 31) Eileen Horn, Live Well Lawrence Coalition (Attachment 32) Sarah Dehart Faltico, Cultivate Kansas City (Attachment 33) Tom Krebs, Kansas Association of School Boards (Attachment 34)

There was no neutral testimony.

The hearing on this bill was closed.

Discussion & possible action on: HB2617 — Workers compensation; medical administrator; electronic filing.

Chuck Reimer, Revisor, gave an overview of the bill.

<u>Representative Davis moved, seconded by Representative Williams, to amend the bill with Amendment</u>

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#1 (Attachment 35). The motion carried.

Chuck Reimer distributed two amendments offered KDOL, Amendment #2 (Attachment 36), and Amendment #3 (Attachment 37).

The Committee decided more information was needed, and further discussion on the bill was deferred.

Adjournment

The meeting adjourned at 2:58 p.m.