

Pennsylvania Food Merchants Association

Legislative Committee

Meeting Notes – 9/25/24

The association was joined by House Majority Leader Matt Bradford (D-Montgomery) for a legislative update. His comments are summarized below:

Legislators are back for a sprint to November and our caucus has accomplished policy work that has been both progressive but pragmatic and thoughtful, governing through that with a bare majority of 102-101. For example the passage of RTD legislation and it going live last week reflects a pragmatic attitude that House Democrats are proud to have applied to an issue where in the past it had stagnated. We continue to believe that tax reform is important and while we're not sure it's something we will get done in the closing days of this session is something we need to focus on, in terms of cutting the Corporate Net Income Tax rate. No one should be ducking their fair share of taxes but everyone should see a lower rate. Similarly this year, we raised the issue of net operating loss (NOL) reform, typically not a Democratic issue, but we want to make sure we are incentivizing growth. When it comes to the long-term demographics we have in Pennsylvania we again believe there is an opportunity to work cooperatively with government, and businesses, and to not have the same stale fights. Another example would be on permitting reform this year. We have a governor who sees these issues differently and we want to do things differently and we were able to work with Senate Republicans to say we are willing to move on permitting reform. So we will have a "fast track" option for permitting reviews and increase the administrative workforce so that everyone sees quicker turnarounds at DEP and PennDOT. The governor will be talking more about that next month.

As the Democratic party we recognize that workers and the folks that you employ are the reason why we fight. We want to increase the minimum wage and there are things we can do working with business to make sure that we give those workers the supports they need to come off the sidelines to go to work to provide for their family, to know the dignity of work. That's why we're proud that we passed the dependent care tax credit which in many cases will help female workers, but frankly, this isn't just a woman's issue, this is a working family issue, and frankly, it's a workforce issue. It's an issue that should affect all employers to make sure that we make it more affordable for families to get quality child care.

House Democrats also worked on a property tax rent rebate expansion, PACENet eligibility, the type of things that put dollars into the pockets in the very consumers that you all need to come and shop in your stores and your businesses. And again, it's good business sense. We can do stuff on both sides of that political equation and I think we need to do more of that.

Looking ahead to the Fall the House is proud to say that we have twice passed a public transit fix. We are awaiting a Senate response. Obviously the business community, especially in Southeastern Pennsylvania where we rely on SEPTA, for them this is a workforce issue. We need the business community front and center demanding funding for the very transit agency that gets their service workers to and from the King of Prussia Mall, to and from Center City, to and from the engines of

economic growth in Southeastern Pennsylvania and frankly, the whole Commonwealth. The Senate has yet to respond meaningfully to the challenge that we're going to have. This is right now viewed through the prism of SEPTA and I know that allows some people to play partisan, regional politics. This is a challenge that's coming to every transit system, rural, or Urban, East-West across the Commonwealth over the next few months. So we need to deal with that. The Senate has tied that to a solution on the skill games issue. That was their choice and their decision, not ours. We feel it's time for the Senate to show what their solution is for mass transit and get something accomplished. We are largely agnostic on skill games and we look forward to seeing what the Senate is able to pass. We obviously have certain concerns when it comes to how they play out in certain communities in terms of security and safety and quality of life. But again, we want to have that conversation giving the Senate the room they need.

Adult use marijuana is one of the issues I know is still out there as well. I don't think we're going to be dealing with that this fall unless something major happens between now and then. If we come back in the new session with an even larger majority we hope to finally move on bringing Pennsylvania up to where its neighboring states are on the issue, passing an adult-use plan that is comprehensive, that is thoughtful, that brings revenue to the commonwealth and also brings sanity to this issue.

Following Leader Bradford's comments the committee received its regular state, federal and association updates from PFMA staff:

State

Last week the Senate returned to session. There was not a great deal of activity in the chamber but members did pass a Capital Budget legislation which lays out the rules for a number of large state projects, mainly related to the issuance of debt. The chamber also passed a real of the Regional Greenhouse Gas Initiative (RGGI). That issue still remains under litigation as well. Beyond that not much was undertaken, however one thing under active discussion is the issue of gaming and specifically games of skill. Next Monday both the House and Senate will be in session at the same time for the first time since July and while not much is on the agenda currently it may ramp up over the next several weeks. Ultimately, there is simply not much calendar time left, with them going up to the third week in October and then a week following the November election where members essentially conduct a reorganization of their chambers in terms of re-electing officers and swearing in any new members. Session will officially end at the end of November and all legislation that hasn't been considered up to that point will cease to exist and have to be reintroduced in the new session in January. So at the end of the day they have maybe 11 days total to pass anything the rest of this year.

In terms of legislation there is a transportation funding discussion going on that is somewhat tied to the games of skill issue. We are also trying to position ourselves to see progress on some priority items for the association as well. We think the conversations between the House and Senate really come down to who's willing to make trades for their priority items and at what level they are willing to do that.

On the organized retail crime front the funding secured for the operations of the ORC state task force are secure and not at risk depending on election results. The task force is already staffed and has hit the ground running. We are already seeing the impacts of their work and in fact we today saw an opinion piece co-authored by Alex and our Loss Prevention Committee Chair Dawn Roller published on [Pennlive](#).

In that vein, the big focus this fall is obviously elections. The state House is 102 to 101 Democrats to Republicans and each seat is up for grabs. The Senate is 28-22 in favor of Republicans and half of those are on the ballot. We think the House is leaning to stay in Democratic control at this point, and the Senate stay Republican. In addition the three row offices – Attorney General, Auditor General and Treasurer are also up for election.

FEDERAL

Continuing on the elections theme, federally a number of Congressional seats and Sen. Casey's Senate seat are on the ballot and of course Pennsylvania is the epicenter of the country for the US Presidential election, as one of a small handful of battleground states.

There's not a lot of action going on in Congress right now. We are not expecting to see a new Farm Bill passed until next year, though we continue to work closely with Congressman GT Thompson and others on that issue, particularly when it comes to SNAP funding. In addition another big ticket item, the Credit Card Competition Act, remains a priority for us and our national partners.

HOUSEKEEPING

Registration for our Fall Legislative Conference October 29-30 at the Hershey Country Club and Troegs Independent Brewing is live. We will have two days of events, including a reception and keynote address over dinner by DCED Secretary Rick Siger, and we will be presenting our 2024 Food Trailblazer award to Chris Reed of Rutters. On Day 2 we will have federal and state legislative update panels, and an election update panel over lunch at Troegs featuring TJ Rooney and Chris Nicholas. You can review all the details and register here - [2024 Fall Legislative Conference - Pennsylvania Food Merchants Association \(pfma.org\)](#).