OHIO COUNCIL OF RETAIL MERCHANTS

May 29, 2025

The Honorable Jerry Cirino, Chairman
Ohio Senate Finance Committee
Statehouse
Columbus, OH 43215

Dear Chairman Cirino and members of the Senate Finance Committee,

On behalf of the grocery and convenience store members of the Ohio Council of Retail Merchants, I share our opposition to the House-added SNAP sugar-sweetened beverage restriction federal waiver request in Substitute House Bill 96. Thank you for the opportunity to share why we are opposed.

Two weeks ago, when testifying before the Senate Health Committee, Director Damschroder provided an overly simplistic explanation of how Arkansas is trying to implement its Governor's federal waiver request to establish SNAP purchase restrictions, should it be approved by the USDA. His remarks would lead you to believe that there are universal bar codes for all products sold in stores, which is wholly inaccurate.

For example, some large retailers and manufacturers utilize GS1, a not-for-profit, international organization developing and maintaining its own standards for barcodes and the corresponding issue company prefixes. The best-known of these standards is the barcode, a symbol printed on products that can be scanned electronically. The current categories under those barcodes are extremely broad. There are likely products that would not get caught by the system. Additionally, small retailers are not likely to use GS1 because of the cost, and small manufacturers provide their own barcodes.

Under GS1, there is a large category of barcodes for "soda," but that includes items like flavored waters, juices, etc., some of which the bill would exempt. While it looks like there is an exemption in the bill for something like La Croix, it wouldn't be accounted for differently in a retailer's system and would likely be unintentionally excluded.

We have heard from our national members that Arkansas is conflicted over the use of GS1 due to the complexity of the barcode system. The three other states that have received approval of their waiver requests—Indiana, Iowa, and Nebraska—have also not figured out how they will implement their SNAP purchase restrictions.

Not that we are in any way promoting it, but there is only one way that the sugar-sweetened beverage exclusions in Sub HB 96 could be effectively implemented, and that is to create an additional bureaucracy within ODJFS to identify and tell retailers, by the name of each product, what specific items can and can't be purchased with SNAP, which is what currently occurs with the WIC program. It is not the responsibility of retailers to get together and figure out which products would be restricted and which wouldn't, as Director Damschroder suggested during Q&A.

Regardless of how it would be implemented, SNAP purchase restrictions would create an unfunded mandate for the retail and convenience industry. Going through hundreds of thousands of UPCs and updating their systems to remove the restricted products from the SNAP-approved products list would be a heavy lift on the front end. There will also be costs associated with maintaining the restricted items as new products emerge, along with the costs of compliance.

Ohio retailers would also suffer from lost revenue because SNAP recipients in border counties would cross into Kentucky, Michigan, Pennsylvania, and West Virginia to buy the products restricted in Ohio. SNAP benefits can be used anywhere in the country, plus Puerto Rico, the Virgin Islands, and Guam.

Before I conclude, I would like you to imagine the scenario of a 16-year-old who gets a job as a grocery clerk in an Ohio store who must explain to an irate SNAP beneficiary why he or she cannot use SNAP benefits to purchase sugar-sweetened beverages. That irate customer will not appear here before you to share his or her anger; that anger will be released upon the 16-year-old cashier, who could easily quit after one too many of these negative interactions. You can take it to the bank that the angry SNAP recipient will take to social media and lash out at the store for not allowing the recipient to get soda with SNAP benefits. Workforce is already a big enough problem, with adding insult to injury by making retail employees the "soda police."

While this amendment to Sub HB 96 is only about sugar-sweetened beverages, what is next? How big will the state bureaucracy have to be to administer additional restrictions? How much more money will retailers lose to implementation, compliance, and cross-border sales? This is an incredibly slippery slope being debated, and we respectfully request that the Senate not start that descent. Please remove the SNAP sugar-sweetened beverage restriction waiver request from the budget and reject any other attempts to restrict specific items from the benefit program. While we completely understand the intent of the language, we submit that restrictions create more harm than good.

Thank you for your thoughtful consideration of our concerns.

Sincerely,

Lora Miller

Lora Miller
Director of Governmental Affairs & Public Relations