



NAMA Member Legislative Alert
October 2, 2009

Federal Issues:

Take Action Today to Oppose Sugar Tax

All NAMA members are strongly encouraged to send a letter to their U.S. Senators opposing the potential new federal tax on sugar sweetened beverages. The proposed new tax of three cents per 12 ounces would be used to pay for health care reform. Please click [here](#) to send a letter to your U. S. Senator. For additional information contact Ned Monroe at nmonroe@vending.org

NAMA Launches Government Affairs Website

Your NAMA team, in partnership with the U.S. Chamber of Commerce, has built a new government affairs website www.NAMAVoice.com. The website is designed to help NAMA members learn about, track and communicate with elected officials on our critical legislative issues. The website allows members to send emails directly to state and federal elected officials. For additional information contact Ned Monroe at nmonroe@vending.org

Federal Health Care Reform Moving Forward

The U.S. Senate Finance Committee continues to work on amendments to their version of federal health care and insurance reform. On the vending side of this debate, NAMA remains concerned that Senators will pass a new tax on sugar sweetened beverages. A coalition of associations continues to oppose any sugar tax to pay for health care reform. In addition, while the Finance Committee works on the funding proposals, Senate aides are working to merge this bill with the health care reform package which passed the Senate Health, Education, Labor and Pensions (HELP) Committee. The HELP bill includes a requirement that those who own or operate 20 or more vending machines disclose calories of all food and beverages prior to purchase. For additional information contact Ned Monroe at nmonroe@vending.org

Web Sites to Search for Government Contracts, Grants and Sales

The federal government has several web sites which can be used to search for federal vending sales and services. As the world's largest purchaser of goods and services and with federal economic stimulus funds being awarded now, NAMA members are reminded to search the federal government for potential new opportunities. Searchable sites include: www.Recovery.gov, www.Grants.gov and www.FedBizOpps.gov. For additional information contact Ned Monroe at nmonroe@vending.org.

Feds Have \$650 Million in Recovery Funds for Localities to Cut 'Junk' Food

The U.S. Department of Health and Human Services (HHS) is preparing to spend \$650 million from the American Recovery and Reinvestment Act to fund a health project named the "Communities Putting Prevention to Work." The program is focusing on several areas including reducing "nutrient-poor foods and beverages" in community facilities and schools. Local governments and Indian tribes will apply for project funding. For additional information contact Ned Monroe at nmonroe@vending.org

National School Lunch Act Introduced

Members with business in schools may be interested in H.R. 2322, recently introduced by Representative Bruce Braley (D-Iowa), which would amend the National School Lunch Act. The bill would provide that, subject to availability of funds, the Secretary of Agriculture shall award grants to not more than 10 States, to assist not more than 10 schools in each of these States, to carry out a pilot program requiring schools 1) to post nutritional content information in school cafeterias regarding the food items served in the cafeterias; and 2) to teach students about how to make healthy food selections. If operators are required to post nutritional information on or near machines, then school cafeterias should be subject to the same requirements. Also, some schools subcontract the foodservice to NAMA members who would be affected by this proposal. For additional information contact Brian Allen at ballen@vending.org

State Issues:

Michigan: Increase in Sales Tax on Food Products Sold Through Vending Machines Avoided

An increase in the sales tax on food products sold through vending machines was avoided at the last minute during late night budget negotiations on September 30th. Legislators passed, and the Governor has promised to sign, a 30 day continuation budget bill that does not contain tax increases. During the next several days the legislature will continue to meet on education funding, and tax increases remains an option as this debate goes on. The vending industry and MDVA have worked very hard to support the no-tax-increase budget agreement and to oppose all the tax increases that hit our members. The industry will continue to work just as hard to fight off additional efforts that may be likely to come up in the next few days. For additional information contact Brian Allen at ballen@vending.org

New York: Mandatory Sick Leave Proposed in New York City.

A measure which would require many businesses to provide paid time off for illness is being proposed by the New York City Council. The potential law would mandate sick leave for employees of businesses that have more than 10 workers and full time employees could earn up to nine days annually. Businesses with less than 10 workers would have to allow employees to accrue five paid sick days per year. One hour of paid sick leave would be accrued for every 30 hours on the clock starting 90 days after the employee's start date, for all full-time, part time or even temporary staff. The paid sick leave could be used for the employee or to care for a sick family member. San Francisco and Washington, D.C. operate under similar workplace rules today. For additional information contact Pam Gilbert at pgilbert@vending.org

Pennsylvania: Philadelphia Sales Tax Increased to 8%

House Bill 1828 was passed and signed by the Governor. The bill, needed to help Philadelphia balance its budget, allows the city to raise its sales tax from 7% to 8% for a maximum of five years. The change requires action by the Philadelphia City Council to implement, but is not expected to be a problem as the Council approved the budget that required the sales tax hike in the first place. The new rate is expected to go into effect sometime in October. The law does not allow the sales tax to be expanded to any items not currently taxed. Only items subject to the state 6% tax will be covered. For additional information contact Pam Gilbert at pgilbert@vending.org

Wisconsin: Certain Food Items Have Changed Tax Status

The Wisconsin Legislature recently passed legislation conforming Wisconsin's sales and use tax laws to the requirements of the Streamlined Sales and Use Tax Agreement. This legislation, known as the Main Street Equity Act, became effective on October 1, 2009. The Wisconsin Department of Revenue recently shared a product list with the Wisconsin Automatic Merchandising Association detailing certain food items that have changed their state sales tax status as of October 1st. For vending operators these products include: Bottled tea, sweetened –becomes exempt instead of taxable; Bottled water, carbonated but non-sweetened – goes from taxable to exempt; Candy containing flour (e.g., Kit Kat, Twix, Licorice) – changes from taxable to exempt; and Ice cream novelties like ice cream cones and Popsicles – generally changes from taxable to exempt; Juice products – become taxable unless 100% fruit juice. Other changes are also listed. For additional information contact Brian Allen at ballen@vending.org

Connecticut: Vending Machine License Fees Doubled

On August 31, 2009 the General Assembly passed a state budget and tax plan for the next two years. The Governor allowed the bill to become law on September 8, 2009 without her signature. HB 6802, An Act Concerning Expenditures and Revenue for the Biennium Ending June 30, 2011, raises state fees, including doubling vending machine fees. For example an operator licensed for up to 3 machines was previously charged \$20; the new rate is \$40. The license for 4-50 machines was \$50 and is now \$100; 50-100 machines increased from \$100 to \$200; and 100 or more machines was \$100 and is now \$200. For additional information contact Pam Gilbert at pgilbert@vending.org