

BILL ANALYSIS

C.S.H.B. 3204
By: Raymond
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that some predominantly WIC program vendors expect to have or already have sales of program-approved food items to WIC program benefits recipients that exceed half of the vendor's total sales of food items eligible for purchase under the supplemental nutrition assistance program and that such vendors add significant value to their communities and to the WIC program. C.S.H.B. 3204 seeks to provide safeguards for the long-term sustainability of such vendors by requiring the state to include them as authorized vendors under the WIC program, subject to other vendor requirements, and by prohibiting certain requirements in a vendor agreement under the program that are outside the scope of the program.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 3204 amends the Health and Safety Code to require the state to include as an authorized vendor a predominantly WIC program vendor that has or is expected to have sales of approved WIC program food items to WIC program benefits recipients that exceed 50 percent of the vendor's total sales of food items eligible for purchase under the supplemental nutrition assistance program and that meet all other vendor requirements established by federal and state WIC program laws and regulations. The bill conditions the requirement on the state accepting federal funding for the WIC program. The bill prohibits the state from imposing requirements for a predominantly WIC program vendor in a vendor agreement for the WIC program that are outside the scope of the program, including requirements relating to vendor hours of operation, inventory stocking of food items other than approved WIC program food items, or restrictions on opening, closing, or relocating a store. The bill subjects the new owner following a change in ownership of a predominantly WIC program vendor, in applying for a new vendor agreement, to the same vendor requirements as predominantly WIC program vendors with existing vendor agreements.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3204 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter D, Chapter 1001, Health and Safety Code, is amended by adding Section 1001.089 to read as follows:

Sec. 1001.089. VENDOR REQUIREMENTS FOR WOMEN, INFANTS, AND CHILDREN PROGRAM.

(a) In this section:

(1) "Predominantly WIC program vendor" means an individual store that:

(A) operates and transacts approved WIC program food items at a fixed location; and

(B) has or is expected to have sales of approved WIC program food items to WIC program benefits recipients that exceed 50 percent of the store's total food sales.

(2) "WIC program" means the federal special supplemental nutrition program for women, infants, and children authorized by 42 U.S.C. Section 1786.

(b) If federal funding for the WIC program is accepted by the state, the state shall include as authorized vendors predominantly WIC program vendors that meet all other vendor requirements established by federal and state WIC program laws and regulations.

(c) The state may not impose requirements in a vendor agreement for the WIC program that are outside the scope of the program, including requirements relating to:

(1) vendor hours of operation;

(2) inventory stocking of food items other than approved WIC program food items;

(3) restrictions on opening, closing, or relocating a store; or

(4) restrictions on the sale of a private business.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter D, Chapter 1001, Health and Safety Code, is amended by adding Section 1001.089 to read as follows:

Sec. 1001.089. VENDOR REQUIREMENTS FOR WOMEN, INFANTS, AND CHILDREN PROGRAM.

(a) In this section:

(1) "Predominantly WIC program vendor" means an individual store that:

(A) operates and transacts approved WIC program food items at a fixed location; and

(B) has or is expected to have sales of approved WIC program food items to WIC program benefits recipients that exceed 50 percent of the store's total sales of food items eligible for purchase under the supplemental nutrition assistance program under Chapter 33, Human Resources Code.

(2) "WIC program" means the federal special supplemental nutrition program for women, infants, and children authorized by 42 U.S.C. Section 1786.

(b) If federal funding for the WIC program is accepted by the state, the state shall include as authorized vendors predominantly WIC program vendors that meet all other vendor requirements established by federal and state WIC program laws and regulations.

(c) The state may not impose requirements for a predominantly WIC program vendor in a vendor agreement for the WIC program that are outside the scope of the program, including requirements relating to:

(1) vendor hours of operation;

(2) inventory stocking of food items other than approved WIC program food items; or

(3) restrictions on opening, closing, or relocating a store.

(d) If a change in ownership of a predominantly WIC program vendor occurs, the new owner, in applying for a new vendor agreement, is subject to the same vendor requirements as predominantly WIC program vendors with existing vendor

agreements.

SECTION 2. If before implementing any provision of this Act a state agency determines that a waiver or authorization from a federal agency is necessary for implementation of that provision, the agency affected by the provision shall request the waiver or authorization and may delay implementing that provision until the waiver or authorization is granted.

SECTION 3. This Act takes effect September 1, 2017.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.