By: Delegates Glenn and Hayes

Introduced and read first time: February 10, 2017
Assigned to: Economic Matters

A BILL ENTITLED

AN ACT concerning

## Maryland Healthy Vending Choices Act

FOR the purpose of providing that certain packaged food or beverage options may not contain more than a certain amount of trans fat or a certain amount of sodium; providing that certain beverage containers may not contain more than a certain number of calories or a certain number of fluid ounces; requiring certain healthy food or beverage options to be displayed and stocked in a certain manner; requiring a vending machine operator to post a certain sign in a certain manner under certain circumstances; providing that a healthy beverage option may not contain more than a certain number of calories; providing that certain beverages are considered a healthy beverage option; establishing the requirements that must be met to be considered a healthy food option; providing that certain foods are considered healthy food options; requiring the Department of General Services to designate certain staff to disseminate certain information and train certain persons on standards established under this Act; requiring any request for bids or proposals for food and beverage vending machines service to include provisions concerning breach of contract and enforcement relating to the requirements of this Act; requiring that a request for bids or proposals incorporate certain requirements; requiring the Department to monitor the compliance of certain persons with the requirements of this Act on a schedule established by the Department; requiring the schedule to require that compliance checks be completed at intervals of not less than every certain number of years; requiring the Department, on or before a certain date and with a certain frequency, to issue a certain report to the Governor and the General Assembly; requiring the Department, on or before a certain date and with certain frequency, to convene a certain workgroup and issue a certain report to the Governor and the General Assembly; providing for the application of this Act; requiring this Act to be implemented in accordance with certain laws; requiring certain leasing entities to encourage certain tenants to meet the requirements of this Act under certain circumstances; defining certain terms; and generally relating to healthy food and beverage options in vending machines on State property.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.
[Brackets] indicate matter deleted from existing law.

BY adding to
Article - State Finance and Procurement
Section 20-101 through 20-106 to be under the new title "Title 20. Maryland Healthy Vending Choices Act"
Annotated Code of Maryland
(2015 Replacement Volume and 2016 Supplement)

## Preamble

WHEREAS, By 2018, diseases caused by poor nutrition likely will cost the State's health care system at least $\$ 7,600,000,000$ in direct medical costs alone, $50 \%$ of which will be publicly funded; and

WHEREAS, While the State spends more than $\$ 700,000,000$ each year to fund its employee health benefits program, the implementation of strategies to reduce chronic diseases among State employees through improvements to the State's food environment could help improve employee health and also lower taxpayer costs; and

WHEREAS, Approximately 81,000 individuals are employed by the State, and reducing the impact of diet-related diseases will support a more productive and valuable workforce that will pay dividends to the State's economy and cultivate national competitiveness for State residents and employees; and

WHEREAS, State properties on which facilities are located that provide care for dependent adults and children are visited by many State residents and other visitors; and

WHEREAS, Positive changes in the nutritional quality of food and beverages sold or provided by the State or otherwise vended on public property will assist individuals to make healthier choices; and

WHEREAS, According to the U.S. Centers for Disease Control and Prevention, small steps, including making healthier food and beverages more widely available in vending machines, can help reduce type 2 diabetes, obesity, and other chronic diseases; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the laws of Maryland read as follows:

## Article - State Finance and Procurement

Title 20. Maryland Healthy Vending Choices Act.
20-101.
(A) In THIS TITLE THE FOLLOWING words have the meanings INDICATED.
(B) "Food and beverage vending machine" means a self-SERVICE MACHINE OFFERED FOR PUBLIC USE THAT, ON INSERTION OF A COIN, PAPER CURRENCY, TOKEN, CARD, OR KEY, OR BY OPTIONAL MANUAL OPERATION, dispenses servings of food or beverages in bulk or in packages or PREPARED BY THE MACHINE, WITHOUT THE NECESSITY OF REPLENISHING THE DEVICE BETWEEN EACH VENDED OPERATION.
(C) "HEALTHY FOOD OR BEVERAGE OPTION" MEANS A PACKAGED FOOD OR BEVERAGE THAT MEETS THE REQUIREMENTS FOR A HEALTHY FOOD OPTION OR A HEALTHY BEVERAGE OPTION AS ESTABLISHED UNDER § 20-104 OF THIS TITLE.
(D) "PACKAGED" MEANS BOTTLED, CANNED, SECURELY BAGGED, OR SECURELY WRAPPED, WHETHER PACKAGED IN A FOOD ESTABLISHMENT OR A FOOD PROCESSING PLANT.

20-102.
(A) This title applies to items sold through food and beverage VEnding machines located on any State-OWned or State-managed PROPERTY, INCLUDING:
(1) State government office buildings;
(2) ROADSIDE REST STOPS OWNED OR MANAGED BY THE STATE; AND
(3) STATE PARKS AND RECREATION CENTERS.
(B) This title does not apply to food and beverage vending MACHINES MANAGED BY A PUBLIC INSTITUTION OF HIGHER EDUCATION IN THE State.
(C) This Title shall be implemented in accordance with any APPLICABLE FEDERAL, STATE, OR LOCAL LAW.
(D) IF a Food and beverage vending machine is located on State PROPERTY THAT HAS BEEN LEASED TO A PRIVATE ENTITY, THE LEASING ENTITY SHALL ENCOURAGE THE TENANT TO MEET THE REQUIREMENTS OF THIS TITLE.

20-103.
(A) (1) AT LEAST 50\% OF THE PACKAGED FOOD OR BEVERAGE OPTIONS OFFERED IN A FOOD AND BEVERAGE VENDING MACHINE SHALL BE HEALTHY FOOD OR BEVERAGE OPTIONS.
(2) ANY PACKAGED FOOD OR BEVERAGE OPTION OFFERED IN A FOOD AND BEVERAGE VENDING MACHINE SHALL CONTAIN:
(I) LESS THAN 0.5 GRAM OF TRANS FAT PER SERVING; AND
(II) NOT MORE THAN 200 MILLIGRAMS OF SODIUM PER PACKAGE.
(B) ANY BEVERAGE CONTAINER OFFERED IN A FOOD AND BEVERAGE VENDING MACHINE SHALL CONTAIN NOT MORE THAN:
(1) 250 CALORIES; AND
(2) 20 FLUID OUNCES.
(C) A HEALTHY FOOD OR BEVERAGE OPTION OFFERED FOR SALE IN A FOOD AND BEVERAGE VENDING MACHINE SHALL BE DISPLAYED IN A WAY THAT IS EASILY VISIBLE AND DISTINGUISHABLE FROM FOODS AND BEVERAGES THAT ARE NOT CONSIDERED HEALTHY FOOD OR BEVERAGE OPTIONS.
(D) A HEALTHY FOOD OR BEVERAGE OPTION SHALL BE STOCKED IN A POSITION WITH THE HIGHEST SELLING POTENTIAL.
(E) AN OPERATOR OF A FOOD AND BEVERAGE VENDING MACHINE SHALL POST A SIGN IN CLOSE PROXIMITY TO EACH FOOD OR BEVERAGE OPTION OR THE SELECTION BUTTON FOR THE FOOD OR BEVERAGE OPTION THAT INCLUDES A CLEAR AND CONSPICUOUS STATEMENT DISCLOSING THE NUMBER OF CALORIES CONTAINED IN THE FOOD OR BEVERAGE OPTION IF A FOOD OR BEVERAGE OPTION SOLD FROM THE VENDING MACHINE:
(1) IS PACKAGED IN A WAY THAT DOES NOT ALLOW THE PROSPECTIVE PURCHASER TO EXAMINE THE NUTRITION FACTS PANEL BEFORE PURCHASING THE FOOD OR BEVERAGE; OR
(2) DOES NOT OTHERWISE PROVIDE VISIBLE NUTRITION INFORMATION AT THE POINT OF PURCHASE.

20-104.
(A) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A HEALTHY BEVERAGE OPTION MAY CONTAIN NOT MORE THAN 40 CALORIES PER PACKAGE.
(2) THE FOLLOWING BEVERAGES ARE CONSIDERED HEALTHY BEVERAGE OPTIONS:
(I) FAT-FREE MILK;
(II) 1\% LOW-FAT DAIRY MILK;
(III) CALCIUM OR VITAMIN D-FORTIFIED SOY MILK WITH LESS THAN 200 CALORIES PER CONTAINER; AND
(IV) PACKAGES CONTAINING NOT MORE THAN 12 OUNCES OF 100\% FRUIT JUICE, VEGETABLE JUICE, OR FRUIT JUICE COMBINED WITH WATER, WITH NO ADDED CALORIC SWEETENERS AND NOT MORE THAN 200 MILLIGRAMS OF SODIUM PER CONTAINER.
(B) (1) A HEALTHY FOOD OPTION SHALL CONTAIN:
(I) NOT MORE THAN 200 CALORIES PER PACKAGE;
(II) LESS THAN 35\% OF CALORIES FROM FAT, EXCEPT FOR PACKAGED FOODS CONTAINING 100\% NUTS OR SEEDS;
(III) LESS THAN 10\% OF CALORIES FROM SATURATED FAT; AND
(V) NOT MORE THAN 35\% OF CALORIES FROM TOTAL SUGARS, EXCEPT FOR WHOLE FRUITS AND VEGETABLES.
(2) SUGARLESS CHEWING GUM AND MINTS ARE CONSIDERED A HEALTHY FOOD OPTION.

20-105.
(A) TO ASSIST AND OVERSEE THE IMPLEMENTATION OF THE NUTRITION AND PROCUREMENT STANDARDS REQUIRED BY THIS TITLE, THE SECRETARY OF GENERAL SERVICES SHALL DESIGNATE STAFF WITHIN THE DEPARTMENT OF GENERAL SERVICES TO DISSEMINATE INFORMATION AND TRAIN STAFF IN OTHER AGENCIES AND VENDORS ON THE STANDARDS ESTABLISHED UNDER THIS TITLE.
(B) ANY REQUEST FOR BIDS OR PROPOSALS FOR FOOD AND BEVERAGE VENDING MACHINE SERVICE SUBJECT TO THIS TITLE SHALL INCLUDE PROVISIONS CONCERNING BREACH OF CONTRACT AND ENFORCEMENT RELATING TO THE REQUIREMENTS OF THIS TITLE.
(C) TO FACILITATE MONITORING AND COMPLIANCE WITH THIS TITLE, A REQUEST FOR BIDS OR PROPOSALS SHALL INCORPORATE THE REQUIREMENTS OF THIS TITLE FOR THE PROCUREMENT OR THE SUPPLY OF FOOD AND BEVERAGES FOR FOOD AND BEVERAGE VENDING MACHINES FOR THE ENTITIES LISTED IN § 20-102(A) OF THIS TITLE.
(D) (1) THE DEPARTMENT OF GENERAL SERVICES SHALL MONITOR THE COMPLIANCE OF OTHER AGENCIES AND VENDORS WITH THE REQUIREMENTS OF THIS TITLE ON A SCHEDULE ESTABLISHED BY THE DEPARTMENT.
(2) A SCHEDULE ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL REQUIRE THAT COMPLIANCE CHECKS BE COMPLETED AT INTERVALS OF NOT LESS THAN EVERY 2 YEARS.

20-106.
(A) (1) ON OR BEFORE OCTOBER 1, 2019, AND EVERY 2 YEARS THEREAFTER, THE DEPARTMENT OF GENERAL SERVICES SHALL REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 OF THE STATE GOVERNMENT Article, the General Assembly on the status of the implementation of THIS TITLE.
(2) THE REPORT SHALL INCLUDE:
(I) AN ASSESSMENT OF AGENCY COMPLIANCE WITH THIS TITLE;
(II) SUCCESSES, CHALLENGES, AND BARRIERS EXPERIENCED IN IMPLEMENTING THIS TITLE; AND
(III) RECOMMENDATIONS FOR IMPROVING COMPLIANCE WITH THE REQUIREMENTS OF THIS TITLE.
(C) ON OR BEFORE OCTOBER 1, 2022, AND EVERY 5 YEARS THEREAFTER, THE DEPARTMENT OF GENERAL SERVICES SHALL:
(1) CONVENE A WORKGROUP CONSISTING OF AGENCY PROCUREMENT STAFF AND NUTRITION EXPERTS FROM THE DEPARTMENT OF HEALTH AND MENTAL

Hygiene to review the requirements for healthy food and beverage OPTIONS ESTABLISHED IN § 20-104 OF THIS TITLE; AND
(2) ISSUE A REPORT TO THE GOVERNOR AND, IN ACCORDANCE WITH § 2-1246 of the State Government Article, the General Assembly with ANY RECOMMENDATIONS FOR CHANGES TO THE OPTIONS ESTABLISHED UNDER § 20-104 OF THIS TITLE THAT ARE NEEDED TO REFLECT ADVANCEMENTS IN NUTRITION SCIENCE, DIETARY DATA, AND PRODUCT AVAILABILITY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act applies to:
(1) a new, or the renewal of, a food and beverage vending machine contract executed on or after the effective date of this Act; and
(2) any new vending machine installed and operated on or after the effective date of this Act by an entity subject to this Act.

SECTION 3. AND BE IT FURTHER ENACTED, That any contract, agreement, or other arrangement between a State agency governed by this Act and a food and beverage vending machine vendor subject to the requirements of this Act shall be modified, as necessary, at the time the contract, agreement, or other arrangement is renewed to bring the vendor into compliance with the requirements of this Act.

SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.

