

**Testimony before the
Minnesota House Commerce Finance and Policy Committee
Hearing on HF2149 Consumer Grocery Pricing Fairness Act**

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Good morning, Madame Chair and members of the committee. I'm Ron Knox, a senior researcher and advocate at the Institute for Local Self-Reliance, a Minnesota-based non-profit where I study corporate concentration and monopoly power. I use he/him pronouns.

I have seen it suggested that HF 2149 will somehow make groceries more expensive for shoppers in Minnesota. If lawmakers want to witness an economy in which grocery prices are sky high and getting higher by the day, they can simply look at the supermarket industry right now, where corporate dominance and concentration are the norm, corporate profits are skyrocketing, and many shoppers struggle to afford a cart full of groceries.

For many decades in the US, we knew that the secret to maintaining low prices, high innovation, and strong, self-reliant communities was a vibrant and diverse grocery industry fostered by our insistence on fair competition in our marketplaces. We insisted on this fairness in large part by banning price discrimination — where powerful retailers bully suppliers into giving them low prices while forcing smaller stores to pay more for the same goods. When the government stopped enforcing our federal law against price discrimination 40 years ago, the concentration of our retail economy began. Today, Walmart accounts for one in every four dollars spent on groceries in America, while the number of small retailers is half of what it was in 1980. Shoppers today struggle to afford basic necessities, yet as a Federal Trade Commission study recently found, corporate profits among supermarket chains are higher today than they have been in many years. Price discrimination here is the root of this particular evil.

Enacting HF2149 would enshrine protection from price discrimination in Minnesota law. It would help Minnesota's independent grocers compete on fair terms and would preserve the competition needed to keep prices low, while helping farmers and small manufacturers find more markets for the things they grow and make. The bill would close two key loopholes that powerful retailers and consumer goods companies have used to skirt the law and maintain their collective dominance of the retail food industry.

I want to thank Representatives Greenman and Schultz for bringing this bill forward. I urge lawmakers to pass this crucial piece of legislation, and I thank you for your time. I'm happy to answer questions.

Thank you,

Ron Knox
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