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Family Dollar Settlement Brings Funds To Foodbanks

Foodbanks and pantries throughout the state are set to receive \$250,000 from a settlement with Family Dollar, Attorney General Dave Yost announced.

The extra funding comes at a critical time, as food insecurity continues to increase statewide, according to advocates, and as federal funding remains stagnant due to ongoing delays with the Farm Bill.

"From October through December 2023, we served more than 3.8 million visitors across Ohio," said Joree Novotny, executive director of the Ohio Association of Foodbanks. "The same quarter a year before was 3.1 million, and that was up from 2.4 million in 2021, so we're serving record numbers of people in need and every bit helps as we strive to keep up with demand."

The Family Dollar settlement amounts to \$400,000, with \$250,000 earmarked for foodbanks and similar entities to purchase and distribute food and personal care items.

Similar to the \$1 million settlement with Dollar General, the resolution stems from price discrepancies found at stores throughout the state. (See Gongwer Ohio Report, November 17, 2023)

Auditor inspectors found that Family Dollar was displaying prices on store shelves for certain items but charging higher prices at its registers, according to a statement from Yost.

In addition to paying \$400,000, Family Dollar must also make changes to ensure accurate pricing including:

- Adequately staffing stores to maintain accurate shelf tags.
- Immediately adjusting the register price to match the shelf tag when a consumer identifies a discrepancy and, within 24 hours,

correcting the shelf tag.

- Requiring store managers and district managers to conduct monthly and bimonthly random price checks.
- Requiring stores with three "failed" auditor inspections within six months to undergo a full-store assessment within seven days of the third failed inspection – one that involves checking the price of every item for accuracy.
- Educating all employees about these policies and posting signs in its Ohio stores informing customers of the same.

As with the Dollar General settlement, the state's 88 county auditors will choose the beneficiaries of the settlement.

Farm Bill: Foodbanks have now experienced a full year of serving 3.5 million to 3.8 million Ohioans every quarter but have not seen increased support via the Farm Bill, the comprehensive federal package that allocates funds and sets policy for agriculture and food.

"This is not what we were built for," Novotny said.

The Farm Bill includes the Emergency Food Assistance Program and the Supplemental Nutrition Assistance Program, both of which play a role in Ohio foodbanks' food supply.

It is typically passed every five to six years, but Congress has been unable to come to an agreement. Instead, President Joe Biden signed a continuation of the 2018 Farm Bill, allowing authorized programs to continue through Sept. 30, 2024.

"That's a functional cut to the program because we need to look at funding levels based on the true cost of need and the true cost of living," Novotny said. "If we continue to be in a stalemate where we're passing continuing resolutions, the funding won't keep up with reality."

Novotny added that the Foodbanks' one-time funding boost from the General Assembly is nearly expended.

Ohioans, meanwhile, are continuing to struggle with food insecurity, she said.

"Yes, the rate of inflation is slowing a bit, but prices remain much higher than what they were," Novotny continued. "We see pressures on rent and property taxes and wages aren't keeping up, so the math doesn't work." Novotny and other food advocates will travel to Washington, D.C., in early March to talk to Ohio's congressional delegation about what the next Farm Bill should contain and the need for it to be a strong bipartisan effort.

"We need long-term certainty and so do our partners in the agriculture sector, especially in times when climate change is impacting our supply at unprecedented levels," she said. "This isn't a time to go without certainty and adequate investments in the farm bill."

Novotny, however, expressed skepticism that a farm bill would pass this year, given it is an election year.

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