LEADERSHIP CENTER FOR ATTORNEY GENERAL STUDIES

Hungry & Broke in America: How State AGs Are Fighting to Lower Your Grocery Bill

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Groceries have become expensive enough without corporate misconduct making matters worse. State attorneys general are stepping up to protect hard-pressed families and hold companies accountable.

I. Grocery Bills Are Now a Leading Financial Worry

Being able to check out at the grocery store without sweating the bill has become a luxury in America. A May 2026 survey found that food and groceries were a top financial pressure for nearly two-thirds of registered voters, surpassing even high housing costs and soaring energy bills.

By September 2026, grocery prices had climbed more than 32 percent since January 2020, according to federal inflation data. Although the pace of grocery inflation has slowed from its earlier peaks, those cumulative price increases have not disappeared.

Families are still paying substantially more for one of life's most basic necessities, and for many, the consequences go far beyond sticker shock.

Some are delaying payments for essentials like rent, utilities, and medicine to afford groceries, while others are skipping meals or turning to food banks already struggling to meet rising demand. Federal cuts to SNAP, benefit disruptions, and ongoing threats to anti-hunger programs have compounded that strain.[1]

[1] Nearly three-quarters of 48 major food banks reported increased demand over the previous year, according to an October 2026 NBC News survey.

In fact, a Federal Reserve Bank of New York study found that a higher share of American households had trouble getting enough to eat in early 2026 than during the early months of the COVID-19 pandemic, when unemployment had surged to historic levels.

Other households are taking on debt to buy groceries. An Urban Institute study found that more than one in four working-age adults used credit cards to buy groceries and experienced repayment challenges in 2025. While those challenges were most common among lower- and moderate-income adults, they extended even to higher earners.

How did feeding a family become so expensive for the vast majority of Americans?

Pandemic-era supply disruptions, higher energy costs, and agricultural challenges such as drought and disease outbreaks have all contributed to higher grocery prices.

More recently, President Trump's costly, unlawful tariffs have added to those pressures, while war-driven increases in fuel and fertilizer costs threaten to make an already difficult situation worse.[2]

Those political and economic forces are only part of the story.

Corporate power also shapes how much of that burden falls on consumers. After 2020, for example, several major food companies raised prices faster than their costs increased, while major grocery retailers' profit margins climbed to levels not seen in decades.[3]

Not every price increase that leaves grocery shoppers reeling is illegal. But when corporate conduct runs afoul of the law or threatens to do so, state attorneys general (state AGs) are wielding antitrust and consumer protection laws to fight back.

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[2] For analyses of how state attorneys general have responded to tariffs and energy policies that can strain household budgets, see This State AG Victory Could Save You Thousands and The Price of Power.

[3] Corporate practices that limit competition can also raise farmers' costs, making food more expensive to grow. In September 2026, a bipartisan coalition of 12 state attorneys general and the FTC announced a proposed $35 million settlement with pesticide manufacturer Corteva. The lawsuit alleged that Corteva used a loyalty program to limit distributors' purchases of cheaper generic pesticides. The agreement would end that program and restrict similar practices for ten years.

II. From Behind the Scenes to the Checkout Line

What ends up on a grocery receipt can be shaped by questionable corporate decisions made long before shoppers enter a supermarket. Other problems are hiding in plain sight, from misleading bargains to prices that ring up higher than advertised.

Across the grocery industry, state AGs are taking on anticompetitive and deceptive practices and securing wins for cash-strapped shoppers.[4]

1. Cracking Down on Egg Price Manipulation

"We are bidding up. Let's hold it today."

In October 2022, an executive at the nation's largest egg producer sent that message to the head of a competing company.

A bipartisan coalition of 17 state AGs, led by New York AG Letitia James and working with the U.S. Department of Justice (DOJ), would later cite the exchange as evidence of an alleged effort to artificially inflate wholesale egg prices.

At the time, Americans were already paying dramatically more for eggs.

Bird flu had devastated poultry flocks, disrupting supplies as the average retail price of a dozen eggs more than doubled from $1.93 in January 2022 to $4.82 a year later.

The shortages pushing up prices were real.

But DOJ and the state AG coalition alleged that three major egg producers were also manipulating the industry's pricing system by coordinating bids to buy eggs at elevated prices through an online egg-trading marketplace, including bids unlikely to result in actual purchases.

[4] State AGs are also pursuing broader grocery-affordability initiatives. In June 2026, California Attorney General Rob Bonta established an Affordability Response Team that includes grocery costs among its priorities, while Connecticut Attorney General William Tong launched an inquiry into rising grocery prices in 2024 and expanded it to food distributors in 2025.

Bids to buy eggs help shape widely used industry price reports. Because many of the egg producers' contracts with retailers, including supermarkets, were tied to those published prices, artificially inflating them could raise what retailers paid for eggs—and ultimately what shoppers paid.

In one December 2022 email, an executive urged competitors to submit strong bids, "early and often." The companies then submitted dozens of bids, and the prices in the industry report rose.

The coalition noted that the prices in that same industry report dropped significantly after the companies learned of DOJ's investigation in March 2025—raising the possibility that government scrutiny was already helping curb the alleged manipulation.

In June 2026, the state AGs and federal officials filed a civil antitrust lawsuit alongside proposed settlements aimed at stopping the alleged manipulation and preventing it from happening again. While the companies did not admit wrongdoing, they agreed to restrictions on coordinated bidding and compliance measures designed to prevent future violations.

They also agreed to pay $3.3 million to the states and provide 53 million eggs to food banks and community organizations across the participating states. While some public interest groups questioned whether the companies paid enough given the size of their overall profits, the egg donations provide especially tangible and timely relief to those facing hunger.

STATE AG ENFORCEMENT IN ACTION

53 million eggs

Secured by a bipartisan coalition of 17 state AGs and federal partners for food banks and community organizations.

That's why the size of a monetary payment alone cannot always tell the whole story of what an enforcement action accomplishes.

Eggs are an everyday kitchen staple whose staggering prices became emblematic of America's grocery affordability crisis. Now, thanks to state AG efforts, millions of them are reaching food banks serving families struggling to afford that very necessity.

2. Exposing the Meat Industry's Secret Pricing Playbook

What if competing meat processors could learn what their rivals were charging, producing, and spending, all while keeping that information from the grocery stores and restaurants buying their products?

That's the kind of advantage a bipartisan coalition of six state AGs, led by Minnesota Attorney General Keith Ellison, challenged in joining DOJ's lawsuit against Agri Stats in 2023.

According to the complaint, Agri Stats collected confidential business information from major chicken, pork, and turkey processors for decades and compiled it into detailed reports shared with participating processors.[5]

Meanwhile, grocery stores and other meat buyers were denied access to the same information.

The reports helped processors identify when they were charging less than their competitors and raise prices rather than compete for customers. They also revealed competitors' production plans, making it easier for processors to limit supply with greater confidence that rivals would not increase production and drive prices down.

In 2019, amid earlier private antitrust litigation, Agri Stats stopped distributing certain pork and turkey reports. That gave the government's economic expert an opportunity to examine what happened when processors lost access to the information.

After accounting for other factors, the expert's analysis estimated that prices charged by pork processors fell by as much as 14.7 percent and those charged by turkey processors by as much as 13.6 percent following the suspension of those programs.

[5] Those companies historically accounted for more than 90 percent of U.S. chicken and turkey sales and 80 percent of pork sales.

But Agri Stats continued operating its reporting system in the chicken industry, and the coalition alleged that the company intended to resume its pork and turkey reports once the earlier litigation ended.

In May 2026, just days before trial, the AGs and DOJ secured a settlement requiring Agri Stats to stop sharing sensitive sales and pricing information among competing processors and make most of its remaining reports available for purchase to grocery stores, restaurants, and other buyers.[6]

A federal court approved the settlement in September 2026.[7] As AG Ellison put it, the resolution showed that state AGs can stop the "kind of unlawful activity that has been driving up costs for the American people for far too long."

Meanwhile, with ground beef prices hovering near record highs, Texas Attorney General Ken Paxton launched an investigation in May 2026, working alongside DOJ to examine whether major beef processors have used their market power to pay ranchers less while charging consumers more.

3. Blocking a Supermarket Mega-Merger

"[Y]ou are basically creating a monopoly in grocery with the merger…[it] makes no sense."

That warning did not come from a government regulator. It came from an Albertsons vice president, after rumors emerged that the supermarket giant might merge with its rival Kroger in what would have been the largest supermarket merger in U.S. history.

State AGs would later cite that concern as they fought to block the companies' proposed $24.6 billion merger, arguing that it threatened to eliminate competition and drive grocery prices even higher.

The proposed deal came after decades of consolidation in the grocery industry, as larger corporations increasingly acquired smaller and regional supermarket chains.

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[6]Agri Stats denied wrongdoing, maintaining that its reports helped processors operate more efficiently.
[7] The agreement also required a $350,000 payment to the six states and oversight by a court-approved monitor.

At the time, Kroger was the nation's second-largest supermarket operator and Albertsons the fourth-largest. Together, they operated thousands of stores under familiar names, including Fred Meyer, Ralphs, Harris Teeter, Safeway, and Quality Food Centers (QFC).

But what mattered most was not simply their national size. It was how fiercely the two companies competed for shoppers in communities across the country.

When competing stores come under the same ownership, the pressure to price items competitively, offer better deals, and improve stores can diminish.

Indeed, a 2017 study found that supermarket mergers in already highly concentrated markets were most frequently associated with price increases.

In January 2024, then-Washington AG Bob Ferguson filed a state antitrust lawsuit to block the merger. Colorado AG Phil Weiser followed with a separate state lawsuit in February.

Later that month, a bipartisan coalition of nine AG offices joined the FTC in federal court, arguing that the merger threatened higher grocery prices, fewer shopping choices, lower quality products, and less competition for grocery workers.

During Colorado's merger trial, a Kroger executive acknowledged raising prices at certain stores in mountain communities where it faced less competition. Although higher transportation and labor costs also played a role, limited competition influenced where the company chose to raise prices.

That evidence helped illustrate what the AGs feared could happen on a much larger scale if the companies merged. Another Albertsons executive put it plainly: "It's all about pricing and competition and we all know prices will not go down."

Both companies proposed selling 579 stores to C&S Wholesale Grocers to address antitrust concerns. But the AGs and FTC argued that C&S lacked the retail experience and resources necessary to replace the vigorous competition between Kroger and Albertsons.

And they had reason for concern. An earlier effort to preserve supermarket competition through store sales by Albertsons to a small regional grocer had ended in bankruptcy and store closures within months.

On December 10, 2024, the legal challenges succeeded. A federal judge issued an order blocking the merger while the litigation proceeded, finding that the FTC and its state partners were likely to prove the deal would substantially lessen competition.

That same day, a Washington state judge went further, ruling after trial that the merger violated state antitrust law and permanently blocking it. By the next day, the deal was off.

STATE AG ENFORCEMENT IN ACTION

$24.6 billion

The proposed Kroger–Albertsons merger that state AGs and federal partners helped block in 2024.

Unlike enforcement actions that seek to remedy misconduct after consumers have suffered harm, this victory was preventive. By stopping the merger, state AGs and their federal partners helped preserve competition that might otherwise have disappeared, protecting shoppers from the risk of even higher grocery prices.

4. Fighting Deceptive Grocery Prices from Shelf to Checkout

Buy one, get one free. Sounds like a bargain. But what if the store raises the price of the first item just before the sale?

That's what AG Nick Brown alleged in an April 2026 lawsuit against the corporate owner of 225 retail grocery stores throughout Washington. At one store, for example, a bottle of olive oil that cost $6.99 jumped to $10.99 during a buy-one-get-one-free promotion, only to return to $6.99 afterward.

According to the complaint, the stores used similar tactics on products ranging from bread and cereal to fresh produce, allegedly overcharging customers in more than 3

million transactions over a five-year period. The lawsuit seeks to stop the challenged practices, obtain restitution for consumers, and impose financial penalties.

AG Brown said his office was focused on "protecting people's pocketbooks" and would not "stand for people getting fleeced by these deceptive practices."

Misleading promotions are only one way grocery retailers can deprive shoppers of a fair deal. Consumers also need to be able to easily compare products to find the best value, which is why some states require stores to display prices using standard units of measurement, such as the price per ounce or pound.

In 2024, New Jersey's AG Office secured a $1.64 million settlement with Walmart after inspections during the first quarter of 2023 found more than 2,000 instances of products priced using incorrect units of measurement.[8] Then-AG Matthew Platkin emphasized that rising grocery prices made it especially important to protect shoppers' right to make "educated decisions on how to spend their money."

Safeguarding shoppers' ability to compare prices is one challenge. Making sure stores honor their advertised prices at checkout is another.

In October 2026, a bipartisan coalition of 20 states joined the Federal Trade Commission in suing Dollar General over allegedly widespread and persistent checkout overcharges that cost vulnerable shoppers millions of dollars.

With more than 21,000 stores nationwide, Dollar General markets itself as a low-price option for families on tight budgets. According to the lawsuit, Dollar General failed to implement adequate safeguards against checkout overcharges despite receiving tens of thousands of customer complaints.

Earlier that month, in a separate New York investigation, AG Letitia James secured a settlement with Dollar General after undercover investigators found overcharges on approximately 14 percent of items purchased at 11 stores, along with other pricing inconsistencies and confusing receipts.

[8] The settlement also required employee training, internal audits, and other reforms to improve pricing accuracy.

The company agreed to provide $1.875 million worth of food and personal items to help hungry families, honor the lowest price, improve employee training and receipts, and submit to independent pricing audits.

Some AGs are also giving stores an opportunity to correct pricing problems voluntarily.

In January 2026, Alaska AG Stephen Cox launched a statewide grocery-pricing compliance initiative that pairs announced inspections with undercover follow-up visits. Investigators first work with stores to identify pricing discrepancies and then return anonymously to check whether corrections have been made.

That effort is particularly significant in Alaska, where grocery bills are among the highest in the nation. As the AG put it, "Alaskans deserve to pay the price they see on the shelf."

For shoppers already struggling to afford groceries, even relatively small overcharges can add up. And whether through investigations, negotiated reforms, or lawsuits, state AGs are working to ensure that the prices consumers see are the prices they can trust.

Even as AGs confront the prices shoppers see at checkout, new technologies are raising questions about how grocery prices are set in the first place. Two shoppers could be offered entirely different prices for the same groceries without ever knowing it.

In January 2026, AG James demanded answers from Instacart after researchers found that its AI-enabled pricing experiments offered shoppers significantly different prices for identical groceries at the same time. Around the same time, California AG Rob Bonta launched an investigation into surveillance pricing, the use of consumers' personal information to set targeted, individualized prices.

These efforts show how state AGs are beginning to press for answers about how new pricing technologies work—and whether they unlawfully harm grocery shoppers.

III. The Fight to Lower Grocery Bills Continues

As more and more households struggle to afford basic groceries, Americans are taking on debt and turning to overwhelmed food banks just to put food on the table.

When corporate misconduct threatens to make the cost of feeding a family even harder to bear, state AGs have the power to fight back.

Sometimes that means preventing harm before it occurs by blocking mergers that threaten to leave shoppers with fewer choices and higher grocery bills.

Other times, it means securing safeguards against price manipulation and anticompetitive information-sharing, holding retailers accountable for misleading prices and promotions, or turning settlements into food donations for those most in need.

From decisions made long before food reaches supermarket shelves to the prices shoppers encounter at checkout, state AGs are fighting to keep the costs of corporate misconduct off families' grocery bills.

The Leadership Center for Attorney General Studies is a non-partisan organization dedicated to educating the public about the important role state attorneys general play in addressing pressing issues, enforcing laws, and bringing about change.