

A bill to be entitled
 An act relating to the Healthy Food Financing
 Initiative program; providing a directive to the
 Division of Law Revision; transferring, renumbering,
 and amending s. 500.81, F.S.; redefining the term
 "underserved community"; revising requirements for the
 administration of and participation in the Healthy
 Food Financing Initiative program; providing program
 eligibility requirements for nonprofit organizations
 and revising eligibility requirements for community
 development financial institutions; revising
 requirements for program applicants and projects;
 revising the purposes for which project funding may be
 used; specifying that program funding is subject to
 and provided from certain appropriations; deleting a
 prohibition limiting the amount the Department of
 Agriculture and Consumer Services may distribute among
 program recipients; amending ss. 595.401, 595.402,
 595.404, 595.408, and 595.501, F.S.; conforming
 provisions to changes made by the act; providing an
 effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. The Division of Law Revision is directed to

26 | rename chapter 595, Florida Statutes, entitled "School Food and
 27 | Nutrition Services," as "Food and Nutrition."

28 | Section 2. Section 500.81, Florida Statutes, is
 29 | transferred, renumbered as section 595.801, and amended to read:

30 | 595.801 ~~500.81~~ Healthy Food Financing Initiative.—

31 | (1) DEFINITIONS.—As used in this section, the term:

32 | (a) "Community facility" means a property owned by a
 33 | nonprofit or for-profit entity in which health and human
 34 | services are provided and space is offered in a manner that
 35 | provides increased access to, or delivery or distribution of,
 36 | food or other agricultural products to encourage public
 37 | consumption and household purchases of fresh produce or other
 38 | healthy food to improve the public health and well-being of low-
 39 | income children, families, and older adults.

40 | (b) "Department" means the Department of Agriculture and
 41 | Consumer Services.

42 | (c) "Independent grocery store or supermarket" means an
 43 | independently owned grocery store or supermarket whose parent
 44 | company does not own more than 40 grocery stores throughout the
 45 | country based upon ownership conditions as identified in the
 46 | latest Nielsen TDLinX Supermarket/Supercenter database.

47 | (d) "Low-income community" means a population census
 48 | tract, as reported in the most recent United States Census
 49 | Bureau American Community Survey, which meets one of the
 50 | following criteria:

- 51 1. The poverty rate is at least 20 percent;
- 52 2. In the case of a low-income community located outside
53 of a metropolitan area, the median family income does not exceed
54 80 percent of the statewide median family income; or
- 55 3. In the case of a low-income community located inside of
56 a metropolitan area, the median family income does not exceed 80
57 percent of the statewide median family income or 80 percent of
58 the metropolitan median family income, whichever is greater.
- 59 (e) "Program" means the Healthy Food Financing Initiative
60 established by the department.
- 61 (f) "Underserved community" means a low-income community
62 ~~distressed urban, suburban, or rural geographic area~~ where a
63 substantial number of residents have low access to a full-
64 service supermarket or grocery store. An area with limited
65 supermarket access must be:
- 66 1. A census tract, as determined to be an area with low
67 access by the United States Department of Agriculture, as
68 identified in the Food Access Research Atlas;
- 69 2. Identified as a limited supermarket access area as
70 recognized by the Community Development Financial Institutions
71 Fund of the United States Department of the Treasury; or
- 72 3. Identified as an area with low access to a supermarket
73 or grocery store through a methodology that has been adopted for
74 use by another governmental initiative, or a well-established or
75 well-regarded philanthropic healthy food initiative.

76 (2) HEALTHY FOOD FINANCING INITIATIVE PROGRAM.—The
 77 department shall establish a Healthy Food Financing Initiative
 78 program that provides grants and loans ~~is composed of and~~
 79 ~~coordinates the use of grants from any source; federal, state,~~
 80 ~~and private loans from a governmental entity or institutions~~
 81 ~~regulated by a governmental entity; federal tax credits; and~~
 82 ~~other types of financial assistance~~ for the construction,
 83 rehabilitation, or expansion of independent grocery stores,
 84 supermarkets, community facilities, or other retail outlets
 85 ~~structures~~ to increase access to affordable fresh produce and
 86 other nutritious food in underserved communities.

87 (3) THIRD-PARTY ADMINISTRATORS; QUALIFICATIONS.—

88 (a) The department may contract with one or more qualified
 89 nonprofit organizations or Florida-based federally certified
 90 community development financial institutions to administer the
 91 program through a public-private partnership.

92 (b) A qualified nonprofit organization must be able to
 93 demonstrate all of the following:

94 1. Prior experience in healthy food financing.

95 2. An exemption from taxation under s. 501(c)(3) of the
 96 Internal Revenue Code.

97 3. The ability to successfully manage and operate lending
 98 and grant programs.

99 4. The ability to assume full financial risk for loans
 100 made under the program.

101 (c) Eligible community development financial institutions
 102 must be able to demonstrate all of the following:

- 103 1. Prior experience in healthy food financing.
- 104 2. Certification by ~~Support from~~ the Community Development
 105 Financial Institutions Fund of the United States Department of
 106 the Treasury.
- 107 3. The ability to successfully manage and operate lending
 108 and tax credit programs.
- 109 4. The ability to assume full financial risk for loans
 110 made under the program ~~this initiative~~.

111 (d) Any third-party administrator that contracts with the
 112 department shall provide quarterly updates to the department.

113 (4)-(b) DUTIES OF THE DEPARTMENT OR THIRD-PARTY
 114 ADMINISTRATOR.—The department or a third-party administrator
 115 shall do all of the following:

- 116 (a)1. Establish program guidelines, raise matching funds,
 117 promote the program statewide, evaluate applicants, make award
 118 decisions, underwrite and disburse grants and loans, and monitor
 119 compliance and impact. ~~The department may contract with a third-~~
 120 ~~party administrator to carry out such duties. If the department~~
 121 ~~contracts with a third-party administrator, funds shall be~~
 122 ~~granted to the third-party administrator to create a revolving~~
 123 ~~loan fund for the purpose of financing projects that meet the~~
 124 ~~criteria of the program. The third-party administrator shall~~
 125 ~~report to the department annually.~~

126 (b)2. Create eligibility guidelines and provide financing
 127 through an application process. ~~Eligible projects must:~~
 128 a. ~~Be located in an underserved community;~~
 129 b. ~~Primarily serve low-income communities; and~~
 130 c. ~~Provide for the renovation or expansion of, including~~
 131 ~~infrastructure upgrades to, existing independent grocery stores~~
 132 ~~or supermarkets; or the renovation or expansion of, including~~
 133 ~~infrastructure upgrades to, community facilities to improve the~~
 134 ~~availability and quality of fresh produce and other healthy~~
 135 ~~foods.~~

136 (c)3. Report annually to the President of the Senate and
 137 the Speaker of the House of Representatives on the projects
 138 funded, the geographic distribution of the projects, ~~the costs~~
 139 ~~of the program,~~ and the outcomes, including the number and type
 140 of jobs created.

141 ~~(4)(a) The Office of Program Policy Analysis and~~
 142 ~~Government Accountability shall review the program and data~~
 143 ~~collected from the department after a term of 7 years and report~~
 144 ~~to the President of the Senate and the Speaker of the House of~~
 145 ~~Representatives. The report shall include, but is not limited~~
 146 ~~to, health impacts based on data collected by the state on~~
 147 ~~diabetes, heart disease and other obesity-related diseases, and~~
 148 ~~other factors as determined by the department.~~

149 ~~(b) If the report determines the program to be~~
 150 ~~unsuccessful after 7 years, the department shall create~~

151 ~~guidelines for unused funds to be returned to the initial~~
 152 ~~investor.~~

153 (5) PROGRAM PARTICIPANTS.—Entities that may apply for
 154 funding under the program include A for-profit entities ~~entity,~~
 155 including a convenience stores ~~store~~ or a fueling stations; and
 156 ~~station, or a~~ not-for-profit entities ~~entity,~~ including, but not
 157 limited to, a sole proprietorships, partnerships ~~proprietorship,~~
 158 ~~partnership,~~ limited liability companies, corporations,
 159 cooperatives ~~company, corporation, cooperative,~~ nonprofit
 160 organizations ~~organization,~~ nonprofit community development
 161 entities ~~entity,~~ or private universities ~~university,~~ may apply
 162 for financing.

163 (a) A program ~~An applicant for financing~~ must do all of
 164 the following:

165 1.(a) Demonstrate the capacity to successfully implement
 166 the project and the likelihood that the project will be
 167 economically self-sustaining. ~~;~~

168 2.(b) Demonstrate the ability to repay the loan. ~~;~~ and

169 ~~(c) Agree, as an independent grocery store or supermarket,~~
 170 ~~for at least 5 years, to:~~

171 3.1. Accept Supplemental Nutrition Assistance Program
 172 benefits ~~and;~~

173 ~~2. Apply to accept~~ Special Supplemental Nutrition Program
 174 for Women, Infants, and Children benefits. ~~and accept such~~
 175 ~~benefits, if approved;~~

176 4.3. For independent grocery stores and supermarkets,
 177 allocate at least 30 percent of floor ~~food retail~~ space for the
 178 sale of perishable foods, which may include fresh or frozen
 179 dairy products, fresh produce, and fresh meats, poultry, and
 180 fish.~~;~~

181 5.4. Comply with all data collection and reporting
 182 requirements established by the department.~~;~~ ~~and~~

183 6.5. Promote the hiring of local residents.

184 (b) The department shall give preference to Florida-based
 185 grocers, local business owners with experience in grocery
 186 stores, and grocers and business owners with a business plan
 187 that includes written documentation of opportunities to purchase
 188 from farmers and growers in this state before seeking out-of-
 189 state purchases.

190 (6) PROJECT ELIGIBILITY.-

191 (a) To be eligible for funding under the program, a
 192 project must:

- 193 1. Be located in an underserved community; and
- 194 2. Provide for the construction of independent grocery
 195 stores or supermarkets; renovation, expansion, and
 196 infrastructure upgrades to stores and community facilities that
 197 improve the availability and quality of fresh produce and other
 198 healthy foods; or other projects that create or improve access
 199 to affordable fresh produce which meet the intent of this
 200 section, as determined by the department or a third-party

201 administrator.

202 (b) ~~Projects including, but not limited to, corner stores,~~
 203 ~~bodegas, or other types of nontraditional grocery stores that do~~
 204 ~~not meet the 30 percent space minimum in subparagraph (5)(a)4.~~
 205 ~~may 3. can still qualify for funding if such funding will be~~
 206 ~~used for refrigeration, displays, or other one-time capital~~
 207 ~~expenditures to promote the sale of fresh produce and other~~
 208 ~~healthy foods.~~

209 ~~(6) In determining which qualified projects to finance,~~
 210 ~~the department or third-party administrator shall:~~

211 ~~(a) Give preference to local Florida-based grocers or~~
 212 ~~local business owners with experience in grocery stores and to~~
 213 ~~grocers and business owners with a business plan model that~~
 214 ~~includes written documentation of opportunities to purchase from~~
 215 ~~Florida farmers and growers before seeking out-of-state~~
 216 ~~purchases;~~

217 ~~(b) Consider the level of need in the area to be served;~~

218 ~~(c) Consider the degree to which the project will have a~~
 219 ~~positive economic impact on the underserved community, including~~
 220 ~~the creation or retention of jobs for local residents;~~

221 ~~(d) Consider the location of existing independent grocery~~
 222 ~~stores, supermarkets, or other markets relevant to the~~
 223 ~~applicant's project and provide the established entity the right~~
 224 ~~of first refusal for such project; and~~

225 ~~(e) Consider other criteria as determined by the~~

226 ~~department.~~

227 (c)(7) A minimum of three eligible projects shall be
 228 funded annually. Financing under this program for eligible
 229 projects may be used for any of the following purposes:

230 1.(a) Site acquisition and preparation.

231 2.(b) Construction and build-out costs.

232 3.(e) Equipment and furnishings.

233 4.(d) Workforce training ~~or security.~~

234 5.(e) Predevelopment costs, such as market studies and
 235 appraisals.

236 6.(f) Energy efficiency measures.

237 7.(g) Working capital for first-time inventory and startup
 238 costs, including seeds and starter plants for residential
 239 produce cultivation.

240 ~~(h) Acquisition of seeds and starter plants for the~~
 241 ~~residential cultivation of fruits, vegetables, herbs, and other~~
 242 ~~culinary products. However, only 7 percent of the total funds~~
 243 ~~expended in any one project under this section may be used for~~
 244 ~~such acquisition.~~

245 8.(i) Other purposes as determined necessary and
 246 reasonable by the department or a third-party administrator.

247 (7) PROGRAM REVIEW.—

248 (a) The Office of Program Policy Analysis and Government
 249 Accountability shall review the program and data collected from
 250 the department after a term of 7 years and provide a report to

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251 the President of the Senate and the Speaker of the House of
252 Representatives. The report shall include economic impact and
253 health outcomes data and other factors as determined by the
254 department.

255 (b) If the report determines the program to be
256 unsuccessful after 7 years, the department shall return any
257 initial funds that have not been loaned, granted, or leveraged
258 in a revolving loan fund to the General Revenue Fund.

259 (8) FUNDING.—The department's performance and obligation
260 to pay under this section is contingent upon an annual
261 appropriation by the Legislature as provided in s. 287.0582. If
262 the department contracts with a third-party administrator, funds
263 must be advanced from the department's annual appropriation to
264 the third-party administrator in order to implement this
265 section.

266 (9)-(8) RULES.—The department shall adopt rules to
267 administer this section.

268 ~~(9) The department may not distribute more than \$500,000~~
269 ~~among more than three recipients.~~

270 Section 3. Section 595.401, Florida Statutes, is amended
271 to read:

272 595.401 Short title.—Sections 595.401-595.601 ~~This chapter~~
273 may be cited as the "Florida School Food and Nutrition Act."

274 Section 4. Section 595.402, Florida Statutes, is amended
275 to read:

276 595.402 Definitions.—As used in this act ~~chapter~~, the
 277 term:

278 (1) "Commissioner" means the Commissioner of Agriculture.

279 (2) "Department" means the Department of Agriculture and
 280 Consumer Services.

281 (3) "Program" means any one or more of the school food and
 282 nutrition service programs that the department has
 283 responsibility over including, but not limited to, the National
 284 School Lunch Program, the Special Milk Program, the School
 285 Breakfast Program, the Summer Food Service Program, the Fresh
 286 Fruit and Vegetable Program, and any other program that relates
 287 to school nutrition.

288 (4) "School breakfast program" means a program authorized
 289 by s. 4 of the Child Nutrition Act of 1966, as amended, and
 290 administered by the department.

291 (5) "School district" means any of the 67 county school
 292 districts, including the respective district school board.

293 (6) "Sponsor" means any entity that is conducting a
 294 program under a current agreement with the department.

295 (7) "Summer nutrition program" means one or more of the
 296 programs authorized under 42 U.S.C. s. 1761.

297 (8) "Universal school breakfast program" means a program
 298 that makes breakfast available at no cost to all students
 299 regardless of their household income.

300 Section 5. Subsections (3), (9), (10), (11), and (13) of

301 section 595.404, Florida Statutes, are amended to read:

302 595.404 School food and other nutrition programs; powers
 303 and duties of the department.—The department has the following
 304 powers and duties:

305 (3) To fully cooperate with the United States Government
 306 and its agencies and instrumentalities so that the department
 307 may receive the benefit of all federal financial allotments and
 308 assistance possible to carry out the purposes of this act
 309 ~~chapter~~.

310 (9) To employ such persons as are necessary to perform its
 311 duties under this act ~~chapter~~.

312 (10) To adopt rules covering the administration,
 313 operation, and enforcement of the program and the farmers'
 314 market nutrition program, as well as to implement ~~the provisions~~
 315 ~~of this act~~ chapter.

316 (11) To adopt and implement an appeal process by rule, as
 317 required by federal regulations, for applicants and participants
 318 under the programs implemented pursuant to this act ~~chapter~~,
 319 notwithstanding ss. 120.569 and 120.57-120.595.

320 (13) To advance funds from the program's annual
 321 appropriation to a summer nutrition program sponsor, when
 322 requested, in order to implement ~~the provisions of this act~~
 323 ~~chapter~~ and in accordance with federal regulations.

324 Section 6. Paragraph (b) of subsection (1) and subsections
 325 (2) and (4) of section 595.408, Florida Statutes, are amended to

326 read:

327 595.408 Food distribution services; department
328 responsibilities and functions.—

329 (1)

330 (b) The department shall determine the benefits each
331 applicant or recipient of assistance is entitled to receive
332 under this act ~~chapter~~, provided that each applicant or
333 recipient is a resident of this state and a citizen of the
334 United States or is an alien lawfully admitted for permanent
335 residence or otherwise permanently residing in the United States
336 under color of law.

337 (2) The department shall cooperate fully with the United
338 States Government and its agencies and instrumentalities so that
339 the department may receive the benefit of all federal financial
340 allotments and assistance possible to carry out the purposes of
341 this act ~~chapter~~.

342 (4) This act ~~chapter~~ does not limit, abrogate, or abridge
343 the powers and duties of any other state agency.

344 Section 7. Subsection (2) of section 595.501, Florida
345 Statutes, is amended to read:

346 595.501 Corrective action plans; penalties.—

347 (2) Any person or sponsor that violates ~~any provision of~~
348 this act ~~chapter~~ or any rule adopted thereunder or otherwise
349 does not comply with the program is subject to a suspension or
350 revocation of their agreement, loss of reimbursement, or a

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351 | financial penalty in accordance with federal or state law, or
352 | both. This section does not restrict the applicability of any
353 | other law.

354 | Section 8. This act shall take effect July 1, 2022.