

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Fiscal Policy

BILL: CS/SB 1422

INTRODUCER: Appropriations Committee on Agriculture, Environment, and General Government;
Senators Burgess and Rouson

SUBJECT: Food Recovery

DATE: February 20, 2024

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Becker</u>	<u>Becker</u>	<u>AG</u>	<u>Favorable</u>
2.	<u>Blizzard</u>	<u>Betta</u>	<u>AEG</u>	<u>Fav/CS</u>
3.	<u>Becker</u>	<u>Yeatman</u>	<u>FP</u>	<u>Favorable</u>

Please see Section IX. for Additional Information:

COMMITTEE SUBSTITUTE - Substantial Changes

I. Summary:

CS/SB 1422 directs the Department of Agriculture and Consumer Services (department), subject to legislative appropriation, to implement a program to provide incentives to food producers to sell high-quality fresh food products to food recovery entities at a discounted price. The bill authorizes food recovery entities to negotiate the price for fresh food products and requires the department to reimburse them for each negotiated purchase of fresh food products produced, purchased, and distributed in this state.

The bill directs the department to submit a report on the program to the Governor, President of the Senate, and Speaker of the House of Representatives by January 1, 2025, and to submit an updated report by January 1, 2026. The bill grants the department rulemaking authority for the program.

The bill has an indeterminate fiscal impact on the department. See Section V., Fiscal Impact Statement.

This bill takes effect July 1, 2024.

II. Present Situation:

Section 595.420, F.S., provides legislative intent and powers of the Department of Agriculture and Consumer Services (department) regarding food recovery. The Legislature finds that millions of pounds of surplus and slightly blemished fruits and vegetables are destroyed each year, while many Floridians go without food.¹ The Legislature further finds that the state, through the Commissioner of Agriculture, should assist food recovery programs, when needed, to aid in their establishment and to support their continued and efficient operation.² In helping to coordinate the establishment of food recovery programs, the department may: identify suppliers, volunteers, and nonprofit organizations in the community to ascertain the level of interest in establishing a food recovery program; provide facilities and other resources for initial organizational meetings; and provide direct and indirect support for the fledgling program, upon demonstration of serious interest at the local level.³

Approximately one-fifth of Floridians are food insecure, including over one million children. The department's Food Recovery Program works to recover food by working with farmers (volunteers visit the farms and collect surplus produce in a process called gleaning) and by working with schools (the department provides Florida Schools with guidance on food waste audits, share tables, food donations, and composting).⁴

Food distribution programs are funded by the legislature through the Food Recovery Program within the department. Partnerships for the 2022-2023 fiscal year include:

- Feeding Florida's Farmers Feeding Florida Program, which purchases cosmetically blemished produce from local agricultural producers and provides it to households in need through Feeding Florida's member food banks.
- The Farm Share Program, which provides food free of charge to local community partner agencies as well as directly to families, children, senior citizens, and individuals in need to address food insecurity throughout the state.⁵

III. Effect of Proposed Changes:

CS/SB 1422 creates s. 595.420(8), F.S., and directs the department to implement a program to provide incentives to agricultural companies to sell fresh products to food recovery entities. It creates definitions for "current wholesale market price," "discounted price," "food producer," "food recovery entity," "fresh food products," and "high-quality fresh food products." The bill specifies that a "food recovery entity" must have been in operation for 10 years in this state and received a minimum of 10 million pounds of perishable produce annually within the last three years to qualify for the program.

Subject to appropriation, the bill directs the department to implement a program to incentivize food producers to sell high-quality fresh food products to food recovery entities at a discounted

¹ Section 595.420(1)(a), F.S.

² Section 595.420(1)(c), F.S.

³ Section 595.420(3), F.S.

⁴ Florida Department of Agriculture and Consumer Services Food Recovery Program *see* <https://www.fdacs.gov/Food-Nutrition/Nutrition-Programs/Food-Recovery-Program> (last visited January 17, 2024).

⁵ *Id.*

price with the goal of reducing human hunger in this state. The bill authorizes food recovery entities to negotiate the price for fresh food products and requires the department to reimburse them for each negotiated purchase of fresh food products produced, purchased, and distributed in this state. To receive a reimbursement, a food entity must:

- Certify in writing to the department that all of the fresh food products on an invoice meet the food recovery entity's food quality standards and that the fresh food products received will not be sold at wholesale, retail, or secondary markets for monetary gain; and
- Submit the invoice and any other documents provided by the food producer to the department. The invoice must include the shipment date; shipment location, by shipper and city; each fresh food product purchased at the discounted price; total number of packages shipped and the price of each product; total price paid for each product; total invoice price paid; and total pounds shipped.

The bill requires the department submit a report on the program to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2025, and to submit an updated report by January 1, 2026. The reports must include an itemized list of all of the following:

- Each fresh food product by package size, the total number of packages, and the average price paid per package.
- The total weight in pounds of each fresh food product type, the price paid per pound for each fresh food product type, and the total spent per fresh food product type.
- The total amount spent and the total amount spent per major fresh food product.

The bill grants the department rulemaking authority to implement the bill.

This act shall take effect July 1, 2024.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

Food producers may benefit from having an additional market for their produce and Floridians may benefit from the increased availability of fresh produce from food recovery entities.

C. Government Sector Impact:

Funding for the food recovery program is contingent upon specific appropriation by the Legislature. The department may incur an indeterminate increase in costs related to workload, depending on the amount of the annual appropriation and number of food recovery entities associated with the program. These costs will need to be funded through the overall appropriation for the program. The bill does not provide funding for the program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Statutes Affected:

This bill substantially amends section 595.420 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Substantial Changes:**
(Summarizing differences between the Committee Substitute and the prior version of the bill.)**CS by Appropriations Committee on Agriculture, Environment, and General Government on February 14, 2024:**

The committee substitute:

- Provides a definition for “current wholesale market price” and discounted price;”
- Specifies a food recovery entity must have been in operation for 10 years instead of 20 years as required in the original bill;
- Requires an invoice to include each fresh food product purchased at the discounted price; and
- Removes the \$5 million appropriation.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
