Amendment offer by Rep. Fudge and cosponsored by Rep. Negrete McLeod (CA), Rep. Courtney (CT) and Rep. Vargas (CA)

Amendment Description

The amendment, to Title IV of the bill, would authorize the Healthy Food Financing Initiative, which is a public-private partnership that uses public dollars to attract private investment in communities by providing critical loans, grants, and financing opportunities for food retailers, farmers markets, cooperatives and others who face barriers to carrying and selling healthy foods. The amendment also supports expansion of existing stores so they can provide the healthier foods that consumers demand.

AMENDMENT TO H.R. ____

OFFERED BY MS. FUDGE OF OHIO

(Farm Bill Amendment)

At the end of title IV, add the following new section:

1 **SEC. 4206. HEALTHY FOOD FINANCING INITIATIVE.**

2 (a) IN GENERAL.—Subtitle D of title II of the De-
3 partment of Agriculture Reorganization Act of 1994 (7
4 U.S.C. 6951 et seq.) is amended by adding at the end
5 the following new section:

6 **"SEC. 242. HEALTHY FOOD FINANCING INITIATIVE.**

7 "(a) PURPOSE.—The purpose of this section is to en-
8 hance the authorities of the Secretary to support efforts
9 to provide access to healthy food by establishing an initia-
10 tive to improve access to healthy foods in underserved
11 areas, to create and preserve quality jobs, and to revitalize
12 low-income communities by providing loans and grants to
13 eligible fresh, healthy food retailers to overcome the higher
14 costs and initial barriers to entry in underserved areas.

15 "(b) DEFINITIONS.—In this section:

16 "(1) COMMUNITY DEVELOPMENT FINANCIAL IN-
17 STITUTION.—The term 'community development fi-
18 nancial institution' has the meaning given the term
19 in section 103 of the Community Development

1 Banking and Financial Institutions Act of 1994 (12
2 U.S.C. 4702).
3 "(2) INITIATIVE.—The term 'Initiative' means
4 the Healthy Food Financing Initiative established
5 under subsection (c)(1).
6 "(3) NATIONAL FUND MANAGER.—The term
7 'national fund manager' means a community devel-
8 opment financial institution that is—
9 "(A) in existence on the date of enactment
10 of this section; and
11 "(B) certified by the Community Develop-
12 ment Financial Institution Fund of the Depart-
13 ment of Treasury to manage the Initiative for
14 purposes of—
15 "(i) raising private capital;
16 "(ii) providing financial and technical
17 assistance to partnerships; and
18 "(iii) funding eligible projects to at-
19 tract fresh, healthy food retailers to under-
20 served areas, in accordance with this sec-
21 tion.
22 "(4) PARTNERSHIP.—The term 'partnership'
23 means a regional, State, or local public-private part-
24 nership that—

1 "(A) is organized to improve access to
2 fresh, healthy foods;
3 "(B) provides financial and technical as-
4 sistance to eligible projects; and
5 "(C) meets such other criteria as the Sec-
6 retary may establish.
7 "(5) PERISHABLE FOOD.—The term 'perishable
8 food' means a staple food that is fresh, refrigerated,
9 or frozen.
10 "(6) QUALITY JOB.—The term 'quality job'
11 means a job that provides wages and other benefits
12 comparable to, or better than, similar positions in
13 existing businesses of similar size in similar local
14 economies.
15 "(7) STAPLE FOOD.—
16 "(A) IN GENERAL.—The term 'staple food'
17 means food that is a basic dietary item.
18 "(B) INCLUSIONS.—The term 'staple food'
19 includes—
20 "(i) bread;
21 "(ii) flour;
22 "(iii) fruits;
23 "(iv) vegetables; and
24 "(v) meat.
25 "(c) INITIATIVE.—

"(1) ESTABLISHMENT.—The Secretary shall establish an initiative to achieve the purpose described in subsection (a) in accordance with this subsection.

"(2) IMPLEMENTATION.—

"(A) IN GENERAL.—

"(i) IN GENERAL.—In carrying out the Initiative, the Secretary shall provide funding to entities with eligible projects, as described in subparagraph (B), subject to the priorities described in subparagraph (C).

"(ii) USE OF FUNDS.—Funds provided to an entity pursuant to clause (i) shall be used—

"(I) to create revolving loan pools of capital or other products to provide loans to finance eligible projects or partnerships;

"(II) to provide grants for eligible projects or partnerships;

"(III) to provide technical assistance to funded projects and entities seeking Initiative funding; and

"(IV) to cover administrative expenses of the national fund manager

1 in an amount not to exceed 10 per-
2 cent of the Federal funds provided.
3 "(B) ELIGIBLE PROJECTS.—Subject to the
4 approval of the Secretary, the national fund
5 manager shall establish eligibility criteria for
6 projects under the Initiative, which shall include
7 the existence or planned execution of agree-
8 ments—
9 "(i) to expand or preserve the avail-
10 ability of staple foods in underserved areas
11 with moderate- and low-income populations
12 by maintaining or increasing the number
13 of retail outlets that offer an assortment of
14 perishable food and staple food items, as
15 determined by the Secretary, in those
16 areas; and
17 "(ii) to accept benefits under the sup-
18 plemental nutrition assistance program es-
19 tablished under the Food and Nutrition
20 Act of 2008 (7 U.S.C. 2011 et seq.).
21 "(C) PRIORITIES.—In carrying out the Ini-
22 tiative, priority shall be given to projects that—
23 "(i) are located in severely distressed
24 low-income communities, as defined by the
25 Community Development Financial Insti-

1 tutions Fund of the Department of Treas-
2 ury; and
3 "(ii) include 1 or more of the fol-
4 lowing characteristics:
5 "(I) The project will create or re-
6 tain quality jobs for low-income resi-
7 dents in the community.
8 "(II) The project supports re-
9 gional food systems and locally grown
10 foods, to the maximum extent prac-
11 ticable.
12 "(III) In areas served by public
13 transit, the project is accessible by
14 public transit.
15 "(IV) The project involves
16 women- or minority-owned businesses.
17 "(V) The project receives funding
18 from other sources, including other
19 Federal agencies.
20 "(VI) The project otherwise ad-
21 vances the purpose of this section, as
22 determined by the Secretary.
23 "(d) AUTHORIZATION OF APPROPRIATIONS.—There
24 is authorized to be appropriated to the Secretary to carry

1 out this section $125,000,000, to remain available until
2 expended.".
3 (b) CONFORMING AMENDMENT.—Section 296(b) of
4 the Department of Agriculture Reorganization Act of
5 1994 (7 U.S.C. 7014(b)) is amended—
6 (1) in paragraph (6), by striking "or" at the
7 end;
8 (2) in paragraph (7), by striking the period at
9 the end and inserting "; or"; and
10 (3) by adding at the end the following new
11 paragraph:
12 "(8) the authority of the Secretary to establish
13 and carry out the Health Food Financing Initiative
14 under section 242.".