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576-03827-17

Proposed Committee Substitute by the Committee on Appropriations
(Appropriations Subcommittee on the Environment and Natural
Resources)

A bill to be entitled

An act relating to small food retailers; creating s.
595.430, F.S.; establishing the Healthy Food
Assistance Program within the Department of
Agriculture and Consumer Services; providing a
purpose; requiring the Office of Program Policy
Analysis and Government Accountability to conduct an
independent study evaluating the program's policy
impact; providing for future repeal and legislative
review; creating s. 595.431, F.S.; providing
definitions; creating s. 595.432, F.S.; requiring the
department to develop guidelines and administer the
program; providing department duties and
responsibilities; providing for funding; creating s.
595.433, F.S.; providing duties and responsibilities
of program administrators; exempting program
administrators from provisions relating to state
procurement of certain property and services;
repealing s. 500.81, F.S., relating to the Healthy
Food Financing Initiative; providing an effective
date.

WHEREAS, overweight children and adults are at greater risk
for numerous adverse health consequences, including type 2
diabetes, heart disease, stroke, high blood pressure, high
cholesterol, certain cancers, asthma, low self-esteem,



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27 depression, and other debilitating diseases, and

28 WHEREAS, in Florida, nearly 27 percent of adults were
29 considered overweight or obese in 2015, and nearly 13 percent of
30 children were considered overweight and obese in 2011, and

31 WHEREAS, obese children are at least twice as likely as
32 non-obese children to become obese adults, and

33 WHEREAS, overweight and obese individuals, particularly
34 older adults, can also be malnourished, defined as lacking the
35 proper amount of essential nutrients, thus often increasing
36 their risk of muscle wasting, which can lead to disability and
37 poor health outcomes, and

38 WHEREAS, obesity-related health conditions have serious
39 economic costs, and

40 WHEREAS, annual health care costs from obesity are at least
41 \$190 billion dollars, or 21 percent of the nation's total health
42 care spending, and are expected to rise substantially, and

43 WHEREAS, roughly 40 percent of these costs are paid through
44 Medicare and Medicaid, meaning that taxpayers pay much of the
45 cost, and

46 WHEREAS, Medicare and Medicaid spending would be reduced by
47 8.5 percent and 11.8 percent, respectively, in the absence of
48 obesity-related spending, and

49 WHEREAS, annual medical expenditures in Florida related to
50 obesity are estimated at \$6,675,670,940 with approximately \$2.6
51 billion of this amount paid by Medicare and Medicaid in the
52 state, and

53 WHEREAS, many Americans, particularly those in low-income
54 neighborhoods, rural areas, and communities of color, reside
55 where adequate access to full-service grocery stores is not



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56 guaranteed, and

57 WHEREAS, low-income areas have more than twice as many
58 convenience stores and four times as many small grocery stores
59 as high-income areas, and

60 WHEREAS, proximity to convenience stores within a
61 neighborhood is associated with higher rates of obesity and
62 diabetes, and

63 WHEREAS, small food retailers tend to sell few fresh
64 produce, whole grains, or low-fat dairy products, and

65 WHEREAS, small food retailers commonly sell highly
66 processed foods that are high in fat and low in nutrients, and

67 WHEREAS, small food retailers tend to charge higher prices
68 for their food as compared to grocery stores and supermarkets,
69 and

70 WHEREAS, providing assistance to existing small food
71 retailers to stock fresh produce and other healthy foods and
72 promote good nutrition can provide residents with access to
73 healthier foods, and

74 WHEREAS, community programs that work with small food
75 retailers have shown promise in increasing healthy food sales,
76 improving store offerings, and promoting good nutrition, and

77 WHEREAS, the program established pursuant to this act is
78 intended to be a source of funding to provide assistance for
79 Florida's small food retailers operating in certain urban and
80 rural areas so that the retailers sell more fresh fruits and
81 vegetables and other healthy foods at affordable prices to
82 neighboring residents in an effort to improve residents' diets
83 and health, NOW, THEREFORE,

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



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Section 1. Section 595.430, Florida Statutes, is created to read:

595.430 Healthy Food Assistance Program.—

(1) There is established within the department the Healthy Food Assistance Program.

(2) The purpose of the program is to provide a process for small food retailers to receive assistance for projects that increase the availability and sales of fresh and nutritious food, including fresh vegetables, fruits, meats, and seafood in low-income and moderate-income communities.

(3) The Office of Program Policy Analysis and Government Accountability shall conduct an independent study to evaluate the policy impact of placing healthy food in previously underserved communities.

(4) This section and ss. 595.431-595.433 are repealed June 30, 2020, unless reviewed and saved from repeal through reenactment by the Legislature.

Section 2. Section 595.431, Florida Statutes, is created to read:

595.431 Definitions.—As used in ss. 595.430-595.433, the term:

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

(a) The poverty rate is at least 20 percent;

(b) In the case of a low-income community located outside a metropolitan area, the median family income does not exceed 80



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114 percent of the statewide median family income; or

115 (c) In the case of a low-income community located within a
116 metropolitan area, the median family income does not exceed 80
117 percent of the statewide median family income or 80 percent of
118 the metropolitan area's median family income, whichever is
119 greater.

120 (2) "Moderate-income community" means a population census
121 tract, as reported in the most recent United States Census
122 Bureau American Community Survey, in which the median family
123 income is between 81 percent and 95 percent of the statewide
124 median family income or metropolitan area's median family
125 income.

126 (3) "Program" means the Healthy Food Assistance Program
127 established within the department pursuant to s. 595.430.

128 (4) "Project administrator" means an entity selected by the
129 department to manage the program to assist small food retailers
130 in low-income and moderate-income communities in the state.

131 (5) "Small food retailer" means a small-scale retail store
132 of less than 3,000 square feet, such as a corner store,
133 convenience store, neighborhood store, small grocery store, or
134 bodega, which sells a limited selection of foods and other
135 products.

136 Section 3. Section 595.432, Florida Statutes, is created to
137 read:

138 595.432 Duties and responsibilities of the department.—

139 (1) The department shall administer the program and develop
140 guidelines for the operation of the program. The guidelines may
141 include procedures for granting appropriated funds to a
142 qualified project administrator to provide assistance to small



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143 food retailers in urban and rural low-income and moderate-income
144 communities to increase the sales of fresh produce and other
145 healthy foods.

146 (2) In administering the program, the department shall:

147 (a) Establish program administrator eligibility guidelines,
148 including, but not limited to, the development of an application
149 process for project administrators and monitoring and
150 accountability mechanisms for projects receiving assistance
151 under the program. At a minimum, a project administrator must be
152 a not-for-profit entity and have demonstrated experience in
153 developing and implementing strategies for healthy food retail
154 in small stores.

155 (b) Establish criteria for a project administrator to use
156 in determining which projects to select, including, but not
157 limited to, consideration of the level of need in the area
158 proposed to be served by the applicant.

159 (c) Provide materials to a project administrator that
160 educate consumers on the benefits of healthy eating and
161 encourage, when possible, buying Fresh From Florida agricultural
162 products for distribution.

163 (d) Electronically submit an annual report to the President
164 of the Senate and the Speaker of the House of Representatives
165 regarding the program, including, but not limited to, projects
166 funded, project expenditures, the geographic distribution of
167 funds, program results, and the program's impact on any health-
168 related initiatives.

169 (3) The department's performance and obligation to pay
170 under this section is contingent upon an annual appropriation by
171 the Legislature.



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172 Section 4. Section 595.433, Florida Statutes, is created to
173 read:

174 595.433 Duties and responsibilities of project
175 administrators.-

176 (1) A project administrator shall be responsible for
177 implementing and operating the program. The project
178 administrator shall:

179 (a) Establish and administer an application process for
180 small food retailers to participate in the program. At a
181 minimum, in order to receive assistance under the program, a
182 small food retailer must:

183 1. Be located in a low-income community or moderate-income
184 community.

185 2. Accept, or agree to apply to and accept, Supplemental
186 Nutrition Assistance Program (SNAP) and Special Supplemental
187 Nutrition Program for Women, Infants, and Children (WIC)
188 benefits.

189 (b) Promote program availability throughout the state and
190 undertake efforts to raise funds from other private and public
191 sources.

192 (c) Use up to 10 percent of the funds distributed by the
193 department for administrative and operational costs associated
194 with operating the program, if such costs are not covered by
195 other budgets or in-kind resources.

196 (d) Collect and provide data and other information
197 quarterly as required by the department.

198 (e) Establish defined goals, standards, and accountability
199 mechanisms for eligible project applicants to ensure that the
200 expenditure of moneys is consistent with the purpose of the



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201 program.

202 (f) Develop a plan for eligible project applicants by
203 describing specific goals for increasing the sales of produce
204 and other healthy foods and educating consumers on the benefits
205 of healthy eating, including, but not limited to, mechanisms to:

206 1. Engage communities to support participating small food
207 retailers.

208 2. Seek guidance from state, county, or municipal agencies,
209 private or public universities, cooperative extension services,
210 community-based organizations, and community members.

211 (g) Establish standards to assess whether project goals are
212 met.

213 (h) Ensure expenditures are appropriate by monitoring the
214 activities of small food retailers.

215 (i) Expend funds for each approved project only for the
216 following purposes:

217 1. Refrigeration, display shelving, or other equipment that
218 small food retailers need, up to a maximum of \$7,500 per
219 retailer.

220 2. Materials and supplies for nutrition education and
221 healthy food promotion.

222 3. Initial purchases of healthy foods, including dairy
223 products, and fresh produce, up to a maximum of \$2,000 per
224 retailer.

225 (2) For purposes of this section, a project administrator
226 is not subject to chapter 287.

227 Section 5. Section 500.81, Florida Statutes, is repealed.

228 Section 6. This act shall take effect July 1, 2017.