

## HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1379 Food Recovery

**SPONSOR(S):** Roth

**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1832

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR or BUDGET/POLICY CHIEF
1) Environment, Agriculture & Flooding Subcommittee	15 Y, 0 N	Mamontoff	Moore
2) Agriculture & Natural Resources Appropriations Subcommittee			
3) State Affairs Committee			

### SUMMARY ANALYSIS

It is estimated that 40 percent of the food produced in the U.S. goes uneaten. Millions of pounds of surplus and slightly blemished fresh fruit and vegetables are destroyed each year, while many residents of the state go each day without food. Approximately one-fifth of Floridians are food insecure, including over one million children.

Through its Division of Food, Nutrition, and Wellness, the Department of Agriculture & Consumer Services (DACS) oversees the Food Recovery Program (program), which gathers leftover farm-fresh produce after harvests, collects unsold food products from wholesale and retail sources, and distributes recovered foods to local food banks and emergency food programs. Through the program, DACS connects farmers with non-profit organizations and volunteers, and holds workshops and trainings on the program.

The bill directs DACS to implement a pilot program that provides incentives for Florida agricultural companies to contribute high-quality fresh fruits and vegetables to food recovery entities in the state. The goal of the pilot program is to reach 50 million pounds of high-quality fresh fruits and vegetables in annual contributions from Florida growers to food recovery entities by July 1, 2025.

The bill authorizes a food recovery entity to negotiate the price per pound for produce with agricultural companies and allows agricultural companies to be reimbursed on a dollar-for-dollar basis for costs relating to picking, packing, precooling, and transporting produce from the farm to the food recovery entity.

The bill requires DACS to reimburse food recovery entities on a dollar-for-dollar basis for the purchase of high-quality fresh fruits and vegetables from agricultural companies plus a 10 cents per pound distribution reimbursement.

The bill requires DACS to submit a report on the pilot program by January 1, 2025, and directs DACS to adopt rules to implement the pilot program.

The bill appropriates the sum of \$5 million in nonrecurring funds to implement the pilot program.

# FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

### A. EFFECT OF PROPOSED CHANGES:

#### Background

It is estimated that forty percent of the food produced in the U.S. goes uneaten. Millions of pounds of surplus and slightly blemished fresh fruit and vegetables are destroyed each year, while many residents of the state go each day without food.<sup>1</sup> Approximately one-fifth of Floridians are food insecure, including over one million children.<sup>2</sup>

It is the responsibility of the Commissioner of Agriculture to assist food recovery programs,<sup>3</sup> and when needed, to aid in their establishment and to support their continued and efficient operation.<sup>4</sup> Food recovery programs are beneficial to residents who lack the means to purchase fresh fruit and vegetables by providing surplus goods for distribution to those in need rather than destroying it.<sup>5</sup> In helping to coordinate the establishment of food recovery programs, the Department of Agriculture & Consumer Services (DACS) 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.<sup>6</sup>

Enacted by the Florida Legislature in 1994, and administered by the Division of Food, Nutrition, and Wellness within DACS, the Food Recovery Program (program) gathers leftover farm-fresh produce after harvests, collects unsold food products from wholesale and retail sources, and distributes recovered foods to local food banks and emergency food programs. Through the program, DACS connects farmers with non-profit organizations and volunteers, and holds workshops and trainings on the program.<sup>7</sup>

The primary goal of the program is to reduce food waste through field gleaning (i.e. gathering leftover crops from fields after they have been commercially harvested) while increasing farmer profit margins through tax incentives. Trained volunteers conduct the field gleaning, post-harvest produce pick-up, as well as produce transportation. DACS ensures that donors are provided with proper documentation for a potential tax deduction based on the number of pounds donated.<sup>8</sup>

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<sup>1</sup> Section 595.420(1), F.S.

<sup>2</sup> Florida Department of Agriculture and Consumer Services (DACS), *Food Recovery Program*, <https://www.fdacs.gov/Food-Nutrition/Nutrition-Programs/Food-Recovery-Program> (last visited Feb. 3, 2022).

<sup>3</sup> Section 595.420(2), F.S. A food recovery program is a local, volunteer-based organization near an agricultural production area of the state that is established for the exclusive purpose of soliciting, collecting, packaging, and delivering surplus fresh fruit and vegetables for distribution in communities throughout the state. Distribution of the food to the needy is accomplished by DACS and volunteer and nonprofit organizations.

<sup>4</sup> *Id.*

<sup>5</sup> Section 595.420(1), F.S.

<sup>6</sup> Section 595.420(3), F.S.

<sup>7</sup> DACS, *Commissioner Fried Encourages Public, Non-Profits to Participate in Food Recovery Program*, (Feb. 22, 2019), <https://www.fdacs.gov/News-Events/Press-Releases/2019-Press-Releases/Commissioner-Fried-Encourages-Public-Non-Profits-to-Participate-in-Food-Recovery-Program> (last visited Feb. 4, 2022).

<sup>8</sup> DACS, *Food Recovery Program*, <https://blogs.ifas.ufl.edu/sarasotaco/files/2020/05/how-is-food-recovered-on-a-farm.pdf> (last visited Feb. 4, 2022).

The program works to recover food in two ways:

- By working with farmers. Volunteers visit the farms and collect surplus produce in a process known as gleaning.
- By working with schools. DACS provides schools with guidance on food waste audits, share tables, food donations, and composting.<sup>9</sup>

Food distribution programs are funded by the legislature through the program. Partnerships for the 2021-2022 fiscal year include:

- The Farmers Feeding Florida Program, which is run by the Feeding Florida organization and 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.
- Feeding South Florida's Senior Grocery Delivery Program, which provides a grocery delivery service for low-income, homebound seniors in Palm Beach, Miami-Dade, and Broward Counties.
- Second Harvest of the Big Bend's Feeding Rural Florida Program, which purchases and distributes fresh, nutritious food to rural North Florida counties.<sup>10</sup>

### Effect of the bill

The bill directs DACS to implement a pilot program, subject to appropriation, that provides incentives to Florida agricultural companies<sup>11</sup> to contribute high-quality fresh fruits and vegetables to food recovery entities<sup>12</sup> in the state. The goal of the pilot program is to reach a goal of 50 million pounds of high-quality fresh fruits and vegetables in annual contributions from Florida growers to food recovery entities by July 1, 2025.

To encourage agricultural companies to contribute high-quality fresh fruits and vegetables, the bill authorizes a food recovery entity to negotiate the price per pound for produce with agricultural companies. This allows agricultural companies to be reimbursed on a dollar-for-dollar basis for costs relating to picking, packing, precooling, and transporting high-quality fresh fruits and vegetables from the farm to the food recovery entity. The produce being sold must meet the following requirements:

- The produce must meet the U.S. Department of Agriculture grade 1 or 2 standards and must be shipped within 7 days after the harvest date;
- The shipping date may be modified based on the expected shelf life of a particular fruit or vegetable, as long as the modifies shipping date will not affect the grade 1 or 2 standards; and
- The harvest date must be included on the invoice provided by the agricultural company to the food recovery entity.

The bill requires DACS to reimburse the food recovery entities on a dollar-for-dollar basis for the purchase of high-quality fresh fruits and vegetables from agricultural companies plus a 10 cents per pound distribution reimbursement. To receive such a reimbursement, a food recovery entity must submit an invoice prescribed by DACS that must include, at a minimum, the following information:

- Ship date;
- Ship location by city;
- Harvest date;
- Packaging type and size;

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<sup>9</sup> DACS, *Food Recovery Program*, <https://www.fdacs.gov/Food-Nutrition/Nutrition-Programs/Food-Recovery-Program> (last visited Feb. 3, 2022).

<sup>10</sup> *Id.*

<sup>11</sup> The bill defines "agricultural company" as a fruit or vegetable producer in the state that has an affiliated shipper and is licensed under the U.S. Perishable Agricultural Commodities Act.

<sup>12</sup> The bill defines "food recovery entity" as a nonprofit association engaged in food recovery and distribution with at least 20 years of operation in the state that has received a minimum of 10 million pounds of perishable produce annually for the last 3 years.

- Delivery location by city;
- Delivery date;
- Received weight in total pounds for each crop;
- Total price per pound for each crop;
- Total invoice price paid; and
- Total pounds delivered.

The bill requires DACS to submit a report on the pilot program, including recommendations for legislation, to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2025.

The bill directs DACS to adopt rules to implement the pilot program.

**B. SECTION DIRECTORY:**

Section 1. Amends s. 595.420, F.S., relating to food recovery.

Section 2. Appropriates funds relating to the implementation of the pilot program.

Section 3. Provides an effective date of July 1, 2022.

**II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT**

**A. FISCAL IMPACT ON STATE GOVERNMENT:**

1. Revenues:

None.

2. Expenditures:

The bill appropriates \$5 million in nonrecurring funds to DACS for the purpose of implementing the pilot program.

**B. FISCAL IMPACT ON LOCAL GOVERNMENTS:**

1. Revenues:

None.

2. Expenditures:

None.

**C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:**

The bill may have a positive economic impact on agricultural producers in the state that receive funds through the pilot program to contribute fresh produce to food recovery entities.

**D. FISCAL COMMENTS:**

None.

**III. COMMENTS**

**A. CONSTITUTIONAL ISSUES:**

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill authorizes DACS to adopt rules to implement the pilot program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

#### **IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES**

None.