

AMENDMENTS TO LB 200

Introduced by Council

1           1. Strike the original sections and all amendments  
2 thereto and insert the following sections:

3           Section 1. Sections 1 to 6 of this act shall be known and  
4 may be cited as the Nebraska Healthy Food Financing Initiative Act.

5           Sec. 2. (1) The Legislature finds that:

6           (a) Access to healthy foods is a basic human necessity.  
7 When fresh fruits and vegetables and other healthy foods are not  
8 easily available or affordable, people, particularly low-income  
9 families, children, the elderly, and other at-risk populations,  
10 face serious barriers to eating a healthy diet. Research indicates  
11 that residents of low-income, minority, and rural communities are  
12 most often affected by poor access to supermarkets and other  
13 retailers offering healthy food choices. Lack of access to healthy,  
14 affordable food items contributes to the increased prevalence of  
15 obesity and other diet-related diseases which ultimately impose  
16 substantial societal costs, including increased public costs in  
17 providing health services; and

18           (b) It is in the interest of the welfare of the state  
19 and its citizens to pursue opportunities for increasing access  
20 in underserved communities to retail grocers, urban and rural  
21 farm stands, farmers markets, food consumer cooperatives, community  
22 gardens, and direct farmer-to-consumer and institution marketing  
23 systems.

1           (2) It is the intent of the Legislature to stimulate  
2 financing for grocery retail and other sources of healthy food for  
3 underserved communities in Nebraska, in both urban and rural areas;  
4 to increase access to healthy, affordable food so as to improve  
5 diets and health; to support expanded economic opportunities in  
6 low-income and rural communities; and to provide expanded markets  
7 for Nebraska-grown farm products.

8           Sec. 3. For purposes of the Nebraska Healthy Food  
9 Financing Initiative Act, underserved community means a geographic  
10 area that has limited access to healthy food retailers and is  
11 located in a lower-income or high-poverty area or an area that  
12 is otherwise determined to have serious healthy food access  
13 limitations.

14           Sec. 4. (1) To the extent that funds are available and in  
15 consultation with the Department of Agriculture and the Department  
16 of Health and Human Services, the Rural Development Commission  
17 shall establish a program of financial assistance involving both  
18 the public and private sectors to increase access to fresh fruits  
19 and vegetables and other nutritional foodstuffs in underserved  
20 communities. Financial assistance includes: (a) Grants; (b) loans  
21 made in participation with a financial institution pursuant to a  
22 contract, the terms and conditions of which shall be determined by  
23 the Rural Development Commission in conjunction with the financial  
24 institution; and (c) interest rate assistance on loans made through  
25 a financial institution.

26           (2) The commission shall contract with one or more  
27 entities certified as a community development entity for purposes

1 of 26 U.S.C. 45D of the Internal Revenue Code to develop  
2 and administer the program of financial assistance described in  
3 this section, raise matching funds, acquire private investment  
4 capital, market the program statewide, evaluate applicants, make  
5 award decisions, underwrite loans made in participation with a  
6 financial institution, and monitor compliance and impact. Any  
7 funds administered by a community development entity under the  
8 Nebraska Healthy Food Financing Initiative Act that are recovered  
9 as loan repayments or in any other manner may be utilized by the  
10 community development entity to provide financial assistance to  
11 other eligible projects subject to the approval of the commission.

12 (3) (a) Such programs of financial assistance shall  
13 provide funding on a competitive, one-time basis as appropriate for  
14 the following eligible projects:

15 (i) New construction of retail grocery structures;

16 (ii) Grocery store renovations, expansion, and  
17 infrastructure upgrades;

18 (iii) Establishment of farmers markets, food  
19 cooperatives, community gardening projects, mobile markets  
20 and delivery projects, and distribution projects that enable food  
21 retailers in underserved communities to regularly obtain fresh  
22 produce; and

23 (iv) Other projects that create or improve healthy food  
24 outlets that meet the intent of the Nebraska Healthy Food Financing  
25 Initiative Act.

26 (b) Funding made available for projects included in  
27 subdivision (a) of this subsection may be used for:

- 1           (i) Site acquisition and preparation;  
2           (ii) Construction costs;  
3           (iii) Equipment and furnishings;  
4           (iv) Workforce training;  
5           (v) Security;  
6           (vi) Certain predevelopment costs such as market studies  
7 and appraisals;  
8           (vii) Working capital for first-time inventory and  
9 start-up costs; and  
10           (viii) Other costs for eligible projects.  
11           (c) In order to be considered for funding, an applicant  
12 shall meet the following criteria:  
13           (i) The project for which the applicant seeks funding  
14 shall benefit an underserved community;  
15           (ii) The applicant shall demonstrate a meaningful  
16 commitment to provide regular offerings of fresh fruits and  
17 vegetables; and  
18           (iii) If applicable, the applicant shall accept  
19 Supplemental Nutrition Assistance Program and Special Supplemental  
20 Nutrition Program for Women, Infants, and Children benefits. For  
21 households in underserved communities that are not eligible to  
22 accept such benefits, the applicant shall demonstrate a meaningful  
23 commitment to make healthy food affordable to such low-income  
24 households in underserved communities.  
25           (d) Applicants shall be evaluated on the following  
26 criteria to determine the funding awarded:  
27           (i) Demonstrated capacity to successfully implement the

1 project, including the applicant's relevant experience and the  
2 likelihood that the project will be economically self-sustaining;

3 (ii) The ability of the applicant to repay debt;

4 (iii) The degree to which the project requires an  
5 investment of public funding to move forward, create impact,  
6 or be competitive and the level of need in the area to be served;

7 (iv) The degree to which the project will provide  
8 new markets for Nebraska-grown fruits and vegetables and other  
9 Nebraska-grown food items;

10 (v) The degree to which the project will have a positive  
11 economic impact on the underserved community, including creating or  
12 retaining jobs for local residents; and

13 (vi) Other criteria the commission determines to be  
14 consistent with the purposes of the act.

15 Sec. 5. The Nebraska Healthy Food Financing Initiative  
16 Cash Fund is created. The State Treasurer shall credit to the  
17 fund any money appropriated to the fund by the Legislature and any  
18 money received as gifts or grants or other public or private funds  
19 obtained for the purposes of the Nebraska Healthy Food Financing  
20 Initiative Act. The fund may be used to carry out the purposes  
21 of the act and, to the extent practicable, to leverage other  
22 funding, including, but not limited to, new markets tax credits,  
23 federal and foundation grant programs, incentives available to  
24 designated enterprise zones, operator equity, and funding from  
25 private sector financial institutions pursuant to the federal  
26 Community Reinvestment Act of 1977, 12 U.S.C. 2901 et seq., and  
27 12 C.F.R. parts 25, 228, 345, and 563e. Any money in the fund

1 available for investment shall be invested by the state investment  
2 officer pursuant to the Nebraska Capital Expansion Act and the  
3 Nebraska State Funds Investment Act.

4           Sec. 6. It is the intent of the Legislature that one  
5 hundred fifty thousand dollars shall be appropriated annually to  
6 provide funding for the Nebraska Healthy Food Financing Initiative  
7 Act.

8           Sec. 7. Section 13-208, Reissue Revised Statutes of  
9 Nebraska, is amended to read:

10           13-208 The total amount of tax credit granted for  
11 programs approved and certified under the Community Development  
12 Assistance Act by the department for any fiscal year shall not  
13 exceed ~~three hundred fifty~~ two hundred thousand dollars.

14           Sec. 8. Section 81-3603, Reissue Revised Statutes of  
15 Nebraska, is amended to read:

16           81-3603 The Rural Development Commission shall:

17           (1) Focus attention on and increase awareness of the  
18 opportunities and needs of rural Nebraskans;

19           (2) Advocate for rural Nebraska by proposing solutions to  
20 rural challenges;

21           (3) Strengthen community sustainability and growth in  
22 rural Nebraska through increased community-based wealth creation,  
23 expanded economic opportunity, and improved quality of life;

24           (4) Stimulate rural development innovation and foster  
25 information transfer to, from, and within rural Nebraska;

26           (5) Encourage and support continuity, coordination, and  
27 cooperation among national, state, multicomunity, and local rural

1 development initiatives and service providers;

2 (6) Ensure that rural Nebraskans are afforded the  
3 opportunity to determine rural Nebraska's development agenda;

4 (7) Serve as an advisory body to the Governor, state  
5 agencies, and the Legislature on rural development issues;

6 (8) Establish an information clearinghouse on rural  
7 challenges and needs, development services, model initiatives,  
8 available resources, and service providers;

9 (9) Foster community-based development initiatives  
10 through multicomunity partnerships;

11 (10) Support strategic planning and research for and  
12 evaluation of rural development initiatives and service providers  
13 by administering the Nebraska Development Network Program;

14 (11) Serve as Nebraska's rural development council within  
15 the meaning of the National Rural Development Partnership by  
16 providing inventories, reports, assessments, and implementation  
17 plans as appropriate; and

18 (12) Participate in the Partnership for Rural Nebraska;  
19 and-

20 (13) Administer the Nebraska Healthy Food Financing  
21 Initiative Act.

22 Sec. 9. Original sections 13-208 and 81-3603, Reissue  
23 Revised Statutes of Nebraska, are repealed.