

HOUSE BILL No. 1256

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-28-37.

Synopsis: Small business and grocer investment program. Establishes the small business and grocer investment fund (fund) and healthy food access program (program) under the administration of the Indiana economic development corporation (IEDC) to provide funding in the form of grants or loans to food retailers that increase local access to fresh fruits, vegetables, or other healthy foods in underserved communities. Defines an "underserved community" as a geographic area located in Indiana in which there is a lack of local access to healthy food retailers. Provides that the IEDC may contract with one or more nonprofit organizations or community development financial institutions to carry out the duties of the corporation. Provides that a grant or loan awarded to an applicant under the program must be made subject to the following conditions: (1) The applicant must be obligated to sell fresh fruits, vegetables, or other healthy foods in underserved communities. (2) If a loan is made, the applicant must be obligated to repay the loan. Appropriates money in the fund.

Effective: July 1, 2015.

Shackleford

January 13, 2015, read first time and referred to Committee on Commerce, Small Business and Economic Development.



First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

HOUSE BILL No. 1256



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 5-28-37 IS ADDED TO THE INDIANA CODE AS
2 A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY
3 1, 2015]:
4 **Chapter 37. Small Business and Grocer Investment Program**
5 **Sec. 1. As used in this chapter, "fund" means the small business**
6 **and grocer investment fund established by section 7 of this chapter.**
7 **Sec. 2. As used in this chapter, "healthy food retailer" means a**
8 **food retailer that sells quality fresh fruits, vegetables, or other**
9 **healthy foods, in natural or frozen form, including a supermarket,**
10 **a grocery store, and a farmer's market.**
11 **Sec. 3. As used in this chapter, "program" refers to the healthy**
12 **food access program conducted under section 5 of this chapter.**
13 **Sec. 4. As used in this chapter, "underserved community"**
14 **means a geographic area located in Indiana in which there is a lack**
15 **of local access to healthy food retailers.**



1 **Sec. 5. The corporation shall conduct a healthy food access**
2 **program to provide funding intended to increase local access to**
3 **healthy food retailers in underserved communities. The**
4 **corporation shall work with state and federal agencies to identify**
5 **underserved communities.**

6 **Sec. 6. The corporation may contract with one (1) or more**
7 **nonprofit organizations or community development financial**
8 **institutions to carry out the duties of the corporation under this**
9 **chapter.**

10 **Sec. 7. (a) The small business and grocer investment fund is**
11 **established. The purpose of the fund is to provide funding in the**
12 **form of grants or loans to food retailers that increase local access**
13 **to fresh fruits, vegetables, or other healthy foods, in natural or**
14 **frozen form, in underserved communities. The fund shall be**
15 **administered by the corporation.**

16 **(b) The fund consists of the following:**

17 **(1) Appropriations by the general assembly.**

18 **(2) Donations.**

19 **(3) Federal grants or other federal appropriations.**

20 **(4) Interest and other earnings derived from investment of**
21 **money in the fund.**

22 **(c) Money in the fund at the end of a state fiscal year does not**
23 **revert to the state general fund.**

24 **(d) Money in the fund is continually appropriated for the**
25 **purposes of this chapter.**

26 **(e) Money in the fund may be used for the costs of administering**
27 **this chapter.**

28 **Sec. 8. Any money coming into possession of a nonprofit**
29 **organization or a community development financial institution that**
30 **contracts with the corporation under section 6 of this chapter shall**
31 **be held and paid in accordance with rules adopted by the**
32 **corporation. The handling and expenditure of money by a**
33 **nonprofit organization or a community development financial**
34 **institution is subject to audit and supervision by the state board of**
35 **accounts.**

36 **Sec. 9. A grant or loan awarded to an applicant under this**
37 **chapter must be made subject to the following conditions:**

38 **(1) The applicant must be obligated to sell fresh fruits,**
39 **vegetables, or other healthy foods, in natural or frozen form,**
40 **in underserved communities under terms and conditions as**
41 **determined by the corporation.**

42 **(2) If a loan is made, the applicant must be obligated to repay**



- 1 the loan under terms and conditions as determined by the
2 corporation.
- 3 **Sec. 10. The criteria for awarding a grant or loan from the fund**
4 **to an applicant must include the following factors:**
- 5 (1) The extent to which the entity seeking a grant or a loan
6 from the fund:
- 7 (A) is in sound financial condition;
- 8 (B) is capable of establishing or maintaining a viable
9 business;
- 10 (C) presents an acceptable credit risk as determined by the
11 corporation, in the case of a loan from the fund; and
- 12 (D) intends to make capital investments within Indiana.
- 13 (2) An estimate of the extent to which local access to healthy
14 food retailers will be improved in an underserved community
15 within Indiana.
- 16 (3) Other criteria established by the corporation.
- 17 **Sec. 11. Money in the fund may be used for technical assistance**
18 **and funding for:**
- 19 (1) new construction of healthy food retailers in underserved
20 communities;
- 21 (2) store renovations, expansion, and infrastructure upgrades
22 of healthy food retailers in underserved communities that
23 improve the availability and quality of fresh produce;
- 24 (3) farmer's markets and public markets, food cooperatives,
25 mobile markets, and delivery projects and distribution
26 projects that enable food retailers in underserved
27 communities to regularly obtain fresh produce; and
- 28 (4) other projects, including outreach programs, that create
29 or improve local access to healthy food retailers in
30 underserved communities.
- 31 **Sec. 12. For purposes of section 11 of this chapter, technical**
32 **assistance and funding may include the following:**
- 33 (1) Site acquisition and preparation.
- 34 (2) Construction costs.
- 35 (3) Equipment and furnishings.
- 36 (4) Workforce training.
- 37 (5) Security.
- 38 (6) Predevelopment costs, such as market studies and
39 appraisals.
- 40 (7) Working capital for inventory and costs.
- 41 (8) Outreach activities.

