



January 12, 2016

SENATE BILL No. 15

DIGEST OF SB 15 (Updated January 7, 2016 4:31 pm - DI 55)

Citations Affected: IC 16-18; IC 16-42.

Synopsis: Fresh food initiative. Establishes the food desert grant and loan program within the state department of health's division of nutrition and physical activity (division) to assist new businesses, existing businesses, and other legal entities to offer fresh and unprocessed foods within a food desert. Defines "food desert". Requires the division to establish: (1) criteria for awarding grants and making loans under the program; and (2) terms and conditions for recipients of the grants and loans. Provides that the recipient of a grant or loan: (1) may use the proceeds only to acquire, repair, or renovate property or equipment to be used in offering fresh and unprocessed foods within a food desert; and (2) shall not use the proceeds to acquire food to be sold. Establishes the food deserts fund for purposes of awarding grants and loans under the program. Requires the division to establish criteria for the evaluation of the health impact of the program and to evaluate the grants and loans awarded under the program according to the criteria. Requires the division, at the direction of the health commissioner, to submit an annual report to the general assembly documenting the effectiveness of the program.

Effective: July 1, 2016.

**Head, Merritt, Breaux, Ford,
Holdman**

January 5, 2016, read first time and referred to Committee on Commerce & Technology.
January 11, 2016, amended, reported favorably — Do Pass.

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January 12, 2016

Second Regular Session 119th General Assembly (2016)

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 2015 Regular Session of the General Assembly.

SENATE BILL No. 15

A BILL FOR AN ACT to amend the Indiana Code concerning health.

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

- 1 SECTION 1. IC 16-18-2-97, AS AMENDED BY P.L.161-2014,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2016]: Sec. 97. "Division" means the following:
4 (1) For purposes of IC 16-21-8, the meaning set forth in
5 IC 16-21-8-0.2.
6 (2) For purposes of IC 16-22-8, the meaning set forth in
7 IC 16-22-8-3.
8 (3) For purposes of IC 16-27, a group of individuals under the
9 supervision of the director within the state department assigned
10 the responsibility of implementing IC 16-27.
11 (4) For purposes of IC 16-28, a group of individuals under the
12 supervision of the director within the state department assigned
13 the responsibility of implementing IC 16-28.
14 (5) For purposes of IC 16-41-40, the division of family resources
15 established by IC 12-13-1-1.
16 **(6) For purposes of IC 16-42-12.5, the meaning set forth in**
17 **IC 16-42-12.5-1.**

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1 SECTION 2. IC 16-18-2-136.5 IS ADDED TO THE INDIANA
 2 CODE AS A NEW SECTION TO READ AS FOLLOWS
 3 [EFFECTIVE JULY 1, 2016]: **Sec. 136.5. "Food desert", for**
 4 **purposes of IC 16-42-12.5, has the meaning set forth in**
 5 **IC 16-42-12.5-2.**

6 SECTION 3. IC 16-18-2-143, AS AMENDED BY P.L.1-2010,
 7 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 8 JULY 1, 2016]: Sec. 143. (a) "Fund", for purposes of IC 16-26-2, has
 9 the meaning set forth in IC 16-26-2-2.

10 (b) "Fund", for purposes of IC 16-31-8.5, has the meaning set forth
 11 in IC 16-31-8.5-2.

12 (c) "Fund", for purposes of IC 16-41-39.4, refers to the childhood
 13 lead poisoning prevention fund established by IC 16-41-39.4-3.1.

14 (d) "Fund", for purposes of IC 16-41-39.8, refers to the lead trust
 15 fund established by IC 16-41-39.8-7.

16 (e) **"Fund", for purposes of IC 16-42-12.5, has the meaning set**
 17 **forth in IC 16-42-12.5-3.**

18 (f) "Fund", for purposes of IC 16-46-5, has the meaning set forth
 19 in IC 16-46-5-3.

20 (g) "Fund", for purposes of IC 16-46-12, has the meaning set
 21 forth in IC 16-46-12-1.

22 (h) "Fund", for purposes of IC 16-41-42.2, has the meaning set
 23 forth in IC 16-41-42.2-2.

24 (i) "Fund", for purposes of IC 16-35-8, has the meaning set forth
 25 in IC 16-35-8-2.

26 SECTION 4. IC 16-42-12.5 IS ADDED TO THE INDIANA CODE
 27 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE
 28 JULY 1, 2016]:

29 **Chapter 12.5. Food: Access to Healthy Foods**

30 **Sec. 1. As used in this chapter, "division" refers to the division**
 31 **of nutrition and physical activity established within the state**
 32 **department.**

33 **Sec. 2. (a) As used in this chapter, "food desert" means an**
 34 **underserved geographic area where affordable fresh and healthy**
 35 **foods are difficult to obtain, as determined by the state**
 36 **department.**

37 (b) **The term includes:**

38 (1) **an urban neighborhood or rural town in which:**

39 (A) **at least twenty-five percent (25%) of the households**
 40 **are below the federal income poverty level (as defined in**
 41 **IC 12-15-2-1); or**

42 (B) **the median family income of residents is not more than**



- 1 **eighty percent (80%) of the median family income of the**
 2 **state;**
 3 **(2) an urban neighborhood, rural town, or metropolitan**
 4 **census tract in which at least five hundred (500) residents or**
 5 **at least thirty-three percent (33%) of the population resides**
 6 **more than one (1) mile from a supermarket or large grocery**
 7 **store; or**
 8 **(3) a nonmetropolitan census tract in which at least five**
 9 **hundred (500) residents or at least thirty-three percent (33%)**
 10 **of the population resides more than ten (10) miles from a**
 11 **supermarket or large grocery store.**
- 12 **Sec. 3. As used in this chapter, "fund" means the food deserts**
 13 **fund established by section 5 of this chapter.**
- 14 **Sec. 4. (a) The food desert grant and loan program is established**
 15 **within the division to assist:**
- 16 **(1) new businesses;**
 17 **(2) existing businesses; or**
 18 **(3) any legal entity;**
- 19 **to offer fresh and unprocessed foods within a food desert.**
- 20 **(b) The division shall establish:**
- 21 **(1) criteria for awarding grants and making loans; and**
 22 **(2) terms and conditions for recipients of grants and loans;**
 23 **under the program established by this chapter.**
- 24 **(c) A recipient of a grant or loan must abide by:**
- 25 **(1) this chapter; and**
 26 **(2) the terms and conditions established under subsection**
 27 **(b)(2).**
- 28 **(d) The recipient of a grant or loan:**
- 29 **(1) may use the proceeds of the grant or loan only to acquire,**
 30 **repair, or renovate property or equipment to be used in the**
 31 **recipient's business or other entity in offering fresh and**
 32 **unprocessed foods within a food desert; and**
 33 **(2) may not use the proceeds of the grant or loan to acquire**
 34 **food to be sold by the recipient's business or other entity.**
- 35 **(e) A recipient of a grant or loan under the program shall allow**
 36 **the division to conduct an annual audit of the recipient's business**
 37 **or other entity to ensure compliance with this chapter and the**
 38 **terms and conditions established under subsection (b)(2).**
- 39 **(f) A recipient of a grant under the program must agree to**
 40 **repay the grant to the division if the recipient does not comply with**
 41 **this chapter and the terms and conditions established under**
 42 **subsection (b)(2).**



1 **Sec. 5. (a) The food deserts fund is established for the purpose**
2 **of awarding grants and making loans under the food desert grant**
3 **and loan program established by section 4 of this chapter.**

4 **(b) The fund shall be administered by the state department.**

5 **(c) The expenses of administering the fund shall be paid from**
6 **money in the fund.**

7 **(d) The treasurer of state shall invest the money in the fund not**
8 **currently needed to meet the obligations of the fund in the same**
9 **manner as other public money may be invested.**

10 **(e) The money in the fund at the end of a state fiscal year does**
11 **not revert to the state general fund but remains in the fund to be**
12 **used exclusively for purposes of this chapter.**

13 **Sec. 6. (a) The division shall:**

14 **(1) establish criteria for the evaluation of the health impact of**
15 **the program; and**

16 **(2) evaluate the grants and loans awarded under the program**
17 **according to the criteria established under subdivision (1).**

18 **(b) The division, at the direction of the state health**
19 **commissioner, shall submit an annual report documenting the**
20 **effectiveness of the food desert grant program to the general**
21 **assembly in an electronic format under IC 5-14-6.**



COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 15, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning health.

Page 2, delete lines 33 through 36, begin a new paragraph and insert:

"Sec. 2. (a) As used in this chapter, "food desert" means an underserved geographic area where affordable fresh and healthy foods are difficult to obtain, as determined by the state department.

(b) The term includes:

(1) an urban neighborhood or rural town in which:

(A) at least twenty-five percent (25%) of the households are below the federal income poverty level (as defined in IC 12-15-2-1); or

(B) the median family income of residents is not more than eighty percent (80%) of the median family income of the state;

(2) an urban neighborhood, rural town, or metropolitan census tract in which at least five hundred (500) residents or at least thirty-three percent (33%) of the population resides more than one (1) mile from a supermarket or large grocery store; or

(3) a nonmetropolitan census tract in which at least five hundred (500) residents or at least thirty-three percent (33%) of the population resides more than ten (10) miles from a supermarket or large grocery store."

Page 2, line 39, after "grant" insert "**and loan**".

Page 2, line 41, delete "and".

Page 2, line 42, after "businesses;" insert "**or**

(3) any legal entity;".

Page 3, delete lines 2 through 10, begin a new paragraph and insert:

"(b) The division shall establish:

(1) criteria for awarding grants and making loans; and

(2) terms and conditions for recipients of grants and loans;

under the program established by this chapter.

(c) A recipient of a grant or loan must abide by:

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- (1) this chapter; and
- (2) the terms and conditions established under subsection (b)(2).

(d) The recipient of a grant or loan:

- (1) may use the proceeds of the grant or loan only to acquire, repair, or renovate property or equipment to be used in the recipient's business or other entity in offering fresh and unprocessed foods within a food desert; and
- (2) may not use the proceeds of the grant or loan to acquire food to be sold by the recipient's business or other entity.

(e) A recipient of a grant or loan under the program shall allow the division to conduct an annual audit of the recipient's business or other entity to ensure compliance with this chapter and the terms and conditions established under subsection (b)(2).

(f) A recipient of a grant under the program must agree to repay the grant to the division if the recipient does not comply with this chapter and the terms and conditions established under subsection (b)(2).

Sec. 5. (a) The food deserts fund is established for the purpose of awarding grants and making loans under the food desert grant and loan program established by section 4 of this chapter."

Page 3, delete lines 20 through 21, begin a new paragraph and insert:

"Sec. 6. (a) The division shall:

- (1) establish criteria for the evaluation of the health impact of the program; and**
- (2) evaluate the grants and loans awarded under the program according to the criteria established under subdivision (1)."**

Page 3, line 22, delete "Sec. 6." and insert "(b)".

Page 3, line 22, after "division" insert ", at the direction of the state health commissioner,".

Page 3, line 22, delete "of the".

Page 3, line 23, delete "activities" and insert "**documenting the effectiveness**".

Page 3, delete lines 25 through 31.

and when so amended that said bill do pass.

(Reference is to SB 15 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 9, Nays 0.

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