

113TH CONGRESS
1ST SESSION

H. R. 1933

To provide assistance and opportunity for the creation and support of sustainable agriculture activities in America's cities and to improve access to nutrition in America's cities.

IN THE HOUSE OF REPRESENTATIVES

MAY 9, 2013

Ms. FUDGE (for herself, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. THOMPSON of Mississippi, Mr. RANGEL, Ms. KAPTUR, Ms. PINGREE of Maine, Mr. CONYERS, and Ms. CHU) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To provide assistance and opportunity for the creation and support of sustainable agriculture activities in America's cities and to improve access to nutrition in America's cities.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Let’s Grow Act of 2013”.

1 (b) TABLE OF CONTENTS.—The table of contents of
 2 this Act is the following:

Sec. 1. Short title; table of contents.

TITLE I—IMPROVING ACCESS TO FRESH AND NUTRITIOUS FOOD

Sec. 101. Healthy corner store initiative.

Sec. 102. Virtual farmers' markets.

Sec. 103. Local food insecurity assessments: assessing the unique nutritional needs of local communities.

Sec. 104. Hunger-free communities.

Sec. 105. EBT farmers market accessibility program.

Sec. 106. Farm-to-Preschool program.

Sec. 107. Extension of pilot projects to evaluate health and nutrition promotion in the supplemental nutrition assistance program.

Sec. 108. Expanding and improving the affordability and nutritional integrity of the USDA Fresh Fruit and Vegetable Program.

TITLE II—CREATION OF THE HEALTHY FOOD FINANCING INITIATIVE

Sec. 201. Purpose and definitions.

Sec. 202. Establishment of Healthy Food Financing Initiative and eligible projects.

Sec. 203. Duties of Secretary.

Sec. 204. National fund manager.

Sec. 205. Allocation and use of funds.

Sec. 206. Partnerships.

Sec. 207. Evaluation and monitoring.

Sec. 208. Administrative provisions.

Sec. 209. Authorization of appropriations.

TITLE III—DEVELOPMENT OF SUSTAINABLE URBAN AGRICULTURE

Sec. 301. Community gardening grant program.

Sec. 302. Grants for conversion of abandoned and foreclosed property to urban agricultural uses.

Sec. 303. Expansion of HarvestCorps program.

Sec. 304. Acquisition of publically owned land and conversion to urban farms and community gardens.

Sec. 305. Urban agricultural workforce training pilot program.

Sec. 306. Urban agriculture development grants program.

Sec. 307. Clean and safe drinking water for urban areas and waterways.

Sec. 308. Extension of assistance to socially disadvantaged urban farmers and ranchers.

Sec. 309. Urban entrepreneur and microenterprise assistance program.

Sec. 310. Local farm business and market garden competitive loan program.

TITLE IV—ERADICATING HUNGER

Sec. 401. Weekends and holidays without hunger.

Sec. 402. Expansion and modernization of the commodity supplemental food program.

Sec. 403. Expansion and modernization of the emergency food assistance program.

Sec. 404. Food bank equipment and technology program.

TITLE V—GO GREEN

Sec. 501. Green and Sustainable Schools, Museums, and Libraries Grant Program.

1 **TITLE I—IMPROVING ACCESS TO**
 2 **FRESH AND NUTRITIOUS FOOD**

3 **SEC. 101. HEALTHY CORNER STORE INITIATIVE.**

4 (a) IN GENERAL.—The Secretary of Agriculture shall
 5 carry out a program, to be known as the Green and
 6 Healthy Corner Store Initiative, of awarding grants to
 7 units of general local government, nonprofit organizations,
 8 and tribal governments to assist qualified convenience
 9 stores to expand and sustain their offering of fruits and
 10 vegetables.

11 (b) PRIORITY.—In awarding grants under this sec-
 12 tion, the Secretary shall give priority to applicants pro-
 13 posing to provide assistance to qualified convenience stores
 14 in low-income communities.

15 (c) ASSISTANCE.—Assistance provided to a qualified
 16 convenience store pursuant to this section may include the
 17 following:

18 (1) Seed money for the purchase of fruits and
 19 vegetables and for equipment needed to sell fruits
 20 and vegetables, such as but not limited to refriger-
 21 erators.

1 (2) Seed money for converting to energy-saving
2 equipment, such as but not limited to energy-effi-
3 cient lighting and refrigerators and a ductless
4 HVAC system, to minimize the additional energy
5 costs associated with the refrigeration needed to
6 stock fruits and vegetables.

7 (3) Educational tools and information on the
8 importance of fresh fruits and vegetables.

9 (4) Simple recipes to assist customers in
10 healthy food preparation.

11 (d) REQUIREMENTS FOR CONVENIENCE STORES.—

12 As a condition on receipt of funds under this section, a
13 grantee shall agree to ensure that any qualified conven-
14 ience store receiving assistance through the grant will—

15 (1) maintain its expanded offering of fruits and
16 vegetables for a minimum time to be determined by
17 the Secretary;

18 (2) limit the number of its advertisements for
19 alcoholic beverages and cigarettes and offer at least
20 an equal amount of advertising for fruits and vege-
21 tables;

22 (3) place advertisements for fruits and vegeta-
23 bles prominently in the front of the store;

24 (4) advertise that the store is participating in
25 the Green and Healthy Corner Store Initiative; and

1 (5) work to partner with rural and urban farm-
2 ers markets to obtain fruits and vegetables for sale.

3 (e) COOPERATION AMONG STORES TO DECREASE
4 PRICES.—The Secretary shall encourage grant recipients
5 under this section to encourage qualified convenience
6 stores receiving assistance through the grant to combine
7 efforts with other convenience stores when ordering fruits
8 and vegetables from distributors in an effort to decrease
9 the price of such goods.

10 (f) DEFINITIONS.—In this section:

11 (1) The term “Bureau-funded school” has the
12 meaning given to such term in section 1141 of the
13 Education Amendments of 1978 (25 U.S.C. 2021).

14 (2) The terms “elementary school”, “local edu-
15 cational agency”, and “secondary school” have the
16 meanings given to such terms in section 9101 of the
17 Elementary and Secondary Education Act of 1965
18 (20 U.S.C. 7801).

19 (3) The term “low-income communities” in-
20 cludes—

21 (A) communities with a high percentage of
22 children eligible for free and reduced priced
23 lunches under the Richard B. Russell National
24 School Lunch Act (42 U.S.C. 1751 et seq.);
25 and

1 (B) any other communities determined by
2 the Secretary to be low-income for purposes of
3 this section.

4 (4) The term “Secretary” means the Secretary
5 of Agriculture.

6 (5) The term “qualified convenience store”
7 means a convenience store located within a quarter
8 mile of an elementary school or a secondary school
9 that is a public school or a Bureau-funded school.

10 **SEC. 102. VIRTUAL FARMERS’ MARKETS.**

11 (a) ESTABLISHMENT OF GRANT PROGRAM.—From
12 the amounts appropriated to carry out this section, the
13 Secretary of Agriculture shall award grants, on a competi-
14 tive basis, to eligible entities to enable such entities to
15 carry out a program that provides access to farmers’ mar-
16 kets to communities that are food deserts.

17 (b) USE OF FUNDS.—An eligible entity receiving a
18 grant under this section shall use such funds for the fol-
19 lowing:

20 (1) Purchasing virtual farmers market software
21 (including computer kiosks and swipe card stations),
22 or entering into a contract with an eligible organiza-
23 tion to develop and maintain the technology nec-
24 essary, to carry out a virtual farmers market pro-
25 gram to enable individuals and organizations in com-

1 communities that are food deserts to order and purchase
2 fruits and vegetables and other healthy food items
3 using such technology.

4 (2) Training staff to—

5 (A) assist individuals and organizations in
6 communities that are food deserts to order and
7 purchase food products under the program de-
8 scribed in paragraph (1); and

9 (B) purchase and order food products
10 under the program for the eligible entity.

11 (3) Packaging food products purchased under
12 the program in manner that makes transportation of
13 the products possible by foot.

14 (4) Paying staff to manage the program, and
15 package and assist in the distribution and delivery
16 of food products purchased under the program.

17 (5) Raising public awareness about the pro-
18 gram.

19 (6) Developing simple food preparation strate-
20 gies and menus for customers of the program.

21 (7) Coordinating with the Secretary of Agri-
22 culture to develop mechanisms to enable reimburse-
23 ment under the supplemental nutrition assistance
24 program established under the Food and Nutrition

1 Act of 2008 (7 U.S.C. 2011 et seq.) for purchases
2 made under the program.

3 (8) Purchasing or rehabilitating buses, includ-
4 ing buses that were formerly used as school buses,
5 that may be used to transport to the eligible enti-
6 ty—

7 (A) the foods ordered and purchased under
8 the program using the technology described in
9 paragraph (1); or

10 (B) other fruits and vegetables that meet
11 the requirements of subsection (e) in order to
12 provide additional opportunities for individuals
13 and organizations in communities that are food
14 deserts to purchase locally grown fruits and
15 vegetables.

16 (c) APPLICATION.—In order to receive a grant under
17 this section, an eligible entity shall submit an application
18 to the Secretary at such time, in such manner, and con-
19 taining such information as the Secretary may require.

20 (d) GRANT AMOUNT.—A grant awarded under this
21 section may not be greater than \$10,000.

22 (e) LIMITATIONS ON FOOD PURCHASED.—To the ex-
23 tent practicable, the majority of food purchased under a
24 virtual farmers market program carried out by an eligible
25 entity under this section shall be from farmers located

1 within a 50-mile radius of the site where the food is or-
2 dered and delivered under the program, except in the case
3 where the eligible entity demonstrates to the Secretary
4 that no such farmers exist or that the farmers are not
5 able to provide a sufficient variety or amount of food for
6 the purposes of the program.

7 (f) REPORT.—Not later than 1 year after the first
8 fiscal year for which funds are appropriated to carry out
9 this section, the Secretary shall report to Congress on the
10 progress made in carrying out programs funded by grants
11 under this section, including—

12 (1) the number of individuals served by such
13 programs and the barriers and opportunities for ad-
14 ditional such programs; and

15 (2) how such programs have increased access or
16 encouraged permanent farmers markets to be estab-
17 lished near communities that are food deserts.

18 (g) DEFINITIONS.—In this section—

19 (1) BUREAU-FUNDED SCHOOL.—The term “bu-
20 reau-funded school” has the meaning given such
21 term in section 1146 of the Education Amendments
22 of 1978 (25 U.S.C. 2026).

23 (2) ELIGIBLE ENTITY.—The term “eligible enti-
24 ty” means an entity that predominantly serves com-
25 munities that are food deserts, including—

1 (A) a local educational agency or bureau-
2 funded school;

3 (B) a nonprofit, community-based organi-
4 zation or entity (including a park and recre-
5 ation department, recreation center, child care
6 facility, or senior center);

7 (C) a convenience store; or

8 (D) other entity that the Secretaries deem
9 to be an eligible entity.

10 (3) ELIGIBLE ORGANIZATION.—The term “eligi-
11 ble organization” means an organization with exper-
12 tise in developing and maintaining a virtual farmers
13 market.

14 (4) LOCAL EDUCATIONAL AGENCY.—The term
15 “local educational agency” has the meaning given
16 such term in section 9101 of the Elementary and
17 Secondary Education Act of 1965 (20 U.S.C. 7801).

18 (5) FOOD DESERT.—The term “food desert”
19 has the meaning given such term in section 7527(a)
20 of the Food, Conservation, and Energy Act of 2008
21 (Public Law 110–234).

22 (6) SECRETARY.—The term “Secretary” means
23 the Secretary of Agriculture.

1 (1) The prevalence of childhood obesity.

2 (2) The availability of safe routes to school for
3 children.

4 (3) The quality of food served in school and
5 child care settings.

6 (4) The availability of supermarkets.

7 (5) The cost and availability of fresh fruits and
8 vegetables.

9 (6) The concentration of convenience stores,
10 and other food vendors that sell a disproportionate
11 amount of foods that are not fresh fruits and vegeta-
12 bles.

13 (7) The availability of products.

14 (8) The concentration of fast food restaurants.

15 (9) The availability of green space or recreation
16 areas, and the extent to which such space or areas
17 encourage physical activity by adults and children.

18 (10) Any other issues determined to be relevant
19 by the local or tribal government.

20 (11) Any other issues determined to be relevant
21 by the Secretary of Health and Human Services.

22 (c) NUMBER OF SITES.—The Secretary of Health
23 and Human Services, in awarding grants under subsection
24 (a), shall award grants to no more than—

25 (1) 20 local governments; and

1 (2) 5 tribal governments.

2 (d) PRIORITY.—In awarding grants under subsection
3 (a), the Secretary of Health and Human Services shall
4 give priority to those local and tribal governments that
5 serve communities with the highest concentrations of pov-
6 erty.

7 (e) REQUIREMENT OF PARTNERSHIPS.—In order to
8 qualify for a grant under subsection (a), a local or tribal
9 government shall demonstrate, to the satisfaction of the
10 Secretary of Health and Human Services, that the local
11 or tribal government has entered into a partnership (for
12 the purpose of conducting an assessment and making an
13 inventory under subsection (a)) with at least one of the
14 following local community organizations:

15 (1) A nonprofit community-based organization
16 or entity.

17 (2) A developer or urban planning institution.

18 (3) An accredited college or university.

19 **SEC. 104. HUNGER-FREE COMMUNITIES.**

20 Section 4405 of the Food, Conservation, and Energy
21 Act of 2008 (7 U.S.C. 7517) is amended—

22 (1) in subsection (a)—

23 (A) by striking paragraph (1) and insert-
24 ing the following:

25 “(1) ELIGIBLE ENTITY.—

1 “(A) COLLABORATIVE GRANTS.—In sub-
2 section (b), the term ‘eligible entity’ means a
3 public food program service provider or non-
4 profit organization, including an emergency
5 feeding organization, that has collaborated or
6 will collaborate with 1 or more local partner or-
7 ganizations to achieve at least 1 hunger-free
8 communities goal.

9 “(B) INCENTIVE GRANTS.—In subsection
10 (c), the term ‘eligible entity’ means a nonprofit
11 organization (including an emergency feeding
12 organization), an agricultural cooperative, pro-
13 ducer network or association, community health
14 organization, public benefit corporation, eco-
15 nomic development corporation, farmers’ mar-
16 ket, community-supported agriculture program,
17 buying club, supplemental nutrition assistance
18 program retail food store, a State, local, or trib-
19 al agency, and any other entity the Secretary
20 designates.”; and

21 (B) by adding at the end the following:

22 “(4) SUPPLEMENTAL NUTRITION ASSISTANCE
23 PROGRAM.—The term ‘supplemental nutrition assist-
24 ance program’ means the supplemental nutrition as-

1 sistance program established under the Food and
2 Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

3 “(5) UNDERSERVED COMMUNITY.—The term
4 ‘underserved community’ has the meaning given the
5 term in section 25 of the Food and Nutrition Act of
6 2008 (7 U.S.C. 2034).”;

7 (2) in subsection (b)(1)(A), by striking “not
8 more than 50 percent of any funds made available
9 under subsection (e)” and inserting “funds made
10 available under subsection (d)(1)”;

11 (3) by striking subsections (c), (d), and (e) and
12 inserting the following:

13 “(c) HUNGER-FREE COMMUNITIES INCENTIVE
14 GRANTS.—

15 “(1) AUTHORIZATION.—

16 “(A) IN GENERAL.—In each of the years
17 specified in subsection (d), the Secretary shall
18 make grants to eligible entities in accordance
19 with paragraph (2).

20 “(B) FEDERAL SHARE.—The Federal
21 share of the cost of carrying out an activity
22 under this subsection shall not exceed 50 per-
23 cent of the total cost of the activity.

24 “(C) NON-FEDERAL SHARE.—

1 “(i) IN GENERAL.—The non-Federal
2 share of the cost of an activity under this
3 subsection may be provided—

4 “(I) in cash or in-kind contribu-
5 tions as determined by the Secretary,
6 including facilities, equipment, or
7 services; and

8 “(II) by a State or local govern-
9 ment or a private source.

10 “(ii) LIMITATION.—In the case of a
11 for-profit entity, the non-Federal share de-
12 scribed in clause (i) shall not include serv-
13 ices of an employee, including salaries paid
14 or expenses covered by the employer.

15 “(2) CRITERIA.—

16 “(A) IN GENERAL.—For purposes of this
17 subsection, an eligible entity is a governmental
18 agency or nonprofit organization that—

19 “(i) meets the application criteria set
20 forth by the Secretary; and

21 “(ii) proposes a project that, at a
22 minimum—

23 “(I) has the support of the State
24 agency;

1 “(II) would increase the purchase
2 of fruits and vegetables by low-income
3 consumers participating in the supple-
4 mental nutrition assistance program
5 by providing incentives at the point of
6 purchase;

7 “(III) agrees to participate in the
8 evaluation described in paragraph (4);

9 “(IV) ensures that the same
10 terms and conditions apply to pur-
11 chases made by individuals with bene-
12 fits issued under this Act and incen-
13 tives provided for in this subsection as
14 apply to purchases made by individ-
15 uals who are not members of house-
16 holds receiving benefits, such as pro-
17 vided for in section 278.2(b) of title 7,
18 Code of Federal Regulations (or a
19 successor regulation); and

20 “(V) includes effective and effi-
21 cient technologies for benefit redemp-
22 tion systems that may be replicated in
23 other for States and communities.

1 “(B) PRIORITY.—In awarding grants
2 under this section, the Secretary shall give pri-
3 ority to projects that—

4 “(i) maximize the share of funds used
5 for direct incentives to participants;

6 “(ii) use direct-to-consumer sales mar-
7 keting;

8 “(iii) demonstrate a track record of
9 designing and implementing successful nu-
10 trition incentive programs that connect
11 low-income consumers and agricultural
12 producers;

13 “(iv) provide locally or regionally pro-
14 duced fruits and vegetables;

15 “(v) are located in underserved com-
16 munities; or

17 “(vi) address other criteria as estab-
18 lished by the Secretary.

19 “(3) APPLICABILITY.—

20 “(A) IN GENERAL.—The value of any ben-
21 efit provided to a participant in any activity
22 funded under this subsection shall not be con-
23 sidered income or resources for any purpose
24 under any Federal, State, or local law.

1 “(B) PROHIBITION ON COLLECTION OF
2 SALES TAXES.—Each State shall ensure that no
3 State or local tax is collected on a purchase of
4 food under this subsection.

5 “(C) NO LIMITATION ON BENEFITS.—A
6 grant made available under this subsection shall
7 not be used to carry out any project that limits
8 the use of benefits under the Food and Nutri-
9 tion Act of 2008 (7 U.S.C. 2011 et seq.) or any
10 other Federal nutrition law.

11 “(D) HOUSEHOLD ALLOTMENT.—Assist-
12 ance provided under this subsection to house-
13 holds receiving benefits under the supplemental
14 nutrition assistance program shall not—

15 “(i) be considered part of the supple-
16 mental nutrition assistance program bene-
17 fits of the household; or

18 “(ii) be used in the collection or dis-
19 position of claims under section 13 of the
20 Food and Nutrition Act of 2008 (7 U.S.C.
21 2022).

22 “(4) EVALUATION.—

23 “(A) INDEPENDENT EVALUATION.—The
24 Secretary shall provide for an independent eval-

1 uation of projects selected under this subsection
2 that measures the impact of each project on—

3 “(i) improving the nutrition and
4 health status of participating households
5 receiving incentives under this subsection;
6 and

7 “(ii) increasing fruit and vegetable
8 purchases in participating households.

9 “(B) REQUIREMENT.—The independent
10 evaluation under subparagraph (A) shall use
11 rigorous methodologies capable of producing
12 scientifically valid information regarding the ef-
13 fectiveness of a project.

14 “(C) COSTS.—The Secretary may use
15 funds not to exceed 10 percent of the funding
16 provided to carry out this section to pay costs
17 associated with administering, monitoring, and
18 evaluating each project.

19 “(d) FUNDING.—

20 “(1) AUTHORIZATION OF APPROPRIATIONS.—
21 There is authorized to be appropriated to carry out
22 subsection (b) \$5,000,000 for each of fiscal years
23 2014 through 2018.

1 “(2) MANDATORY FUNDING.—Of the funds of
2 the Commodity Credit Corporation, the Secretary
3 shall use to carry out subsection (c)—

4 “(A) \$15,000,000 for fiscal year 2014;

5 “(B) \$20,000,000 for each of fiscal years
6 2015 through 2017; and

7 “(C) \$25,000,000 for fiscal year 2018.”.

8 **SEC. 105. EBT FARMERS MARKET ACCESSIBILITY PRO-**
9 **GRAM.**

10 (a) AUTHORITY FOR PROGRAM.—The Secretary of
11 Agriculture shall develop and carry out a program to make
12 grants to entities that operate farmers markets in urban
13 areas for the purchase of equipment and to finance the
14 installation of equipment necessary to operate EBT sys-
15 tems at farmers markets.

16 (b) AUTHORIZATION OF APPROPRIATIONS.—There is
17 authorized to be appropriated to carry out this section
18 \$10,000,000 for each of the fiscal years in the 8-year pe-
19 riod beginning on the October 1 of the first fiscal year
20 that begins after the date of the enactment of this Act.

21 **SEC. 106. FARM-TO-PRESCHOOL PROGRAM.**

22 (a) AUTHORITY FOR PROGRAM.—The Secretary of
23 Agriculture shall develop and carry out a grant program
24 to make grants to community-based and nonprofit organi-
25 zations to develop a Farm-to-Preschool program that fos-

1 ters the connection between preschools, Head Start pro-
2 grams, childcare or daycare centers, kindergarten readi-
3 ness programs in K–12 school districts, and in-home care
4 facilities, with small- or medium-sized agricultural pro-
5 ducers, for the purposes of—

6 (1) developing an industry-leading preschool nu-
7 trition education and meal program designed to help
8 prevent the onset of childhood obesity and develop
9 foundational healthy eating and lifestyle habits,

10 (2) creating nutritious and healthy made-from-
11 scratch meals and menus using recipes that include
12 mostly locally grown and produced organic foods,

13 (3) developing recipes and menus that will serve
14 as a tool for parent awareness, access to healthy
15 food, food preparation, and eating, and engagement
16 in nutrition education,

17 (4) developing experiential educational curricula
18 centered around farms, farmers’ markets, and school
19 gardens for parents and children,

20 (5) replicating “Farm-to-Preschool” parent
21 awareness and engagement in nutrition education,
22 healthy eating and food preparation nationally,

23 (6) supporting local and regional agriculture
24 communities, and

1 (7) promoting the institutionalization of pre-
2 school wellness policies.

3 (b) AVAILABILITY AND USE OF GRANTS.—The Sec-
4 retary shall make grants under subsection (a)—

5 (1) to be used—

6 (A) to support the initial costs of imple-
7 menting a new, or expanding an existing,
8 Farm-to-Preschool program,

9 (B) in an amount not to exceed \$250,000
10 to support the training and access to resources
11 and information necessary to conduct a success-
12 ful Farm-to-Preschool program, or

13 (C) in an amount not to exceed \$50,000 to
14 support the cost of conducting research, identi-
15 fying resources, and developing partnerships to
16 design a successful and sustainable Farm-to-
17 Preschool program,

18 (2) to eligible entities that agree to provide, in
19 cash or in kind, not less than 20 percent of the cost
20 of the use for which the respective grants are made,
21 and

22 (3) to achieve to the maximum extent prac-
23 ticable geographical diversity and grantee participa-
24 tion in urban, rural and tribal communities.

1 (c) REPORT.—Not later than 1 year after the first
2 fiscal year for which funds are appropriated to carry out
3 this section, the Secretary of Agriculture shall report to
4 Congress on the progress made in carrying out programs
5 funded by grants under this section, including preschool
6 nutrition education curricula centered around farms,
7 farmers’ markets, and school gardens, and the institu-
8 tionalization of preschool wellness policies.

9 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
10 authorized to be appropriated for fiscal years 2014
11 through 2018 in the aggregate \$10,000,000 to carry out
12 this section.

13 **SEC. 107. EXTENSION OF PILOT PROJECTS TO EVALUATE**
14 **HEALTH AND NUTRITION PROMOTION IN THE**
15 **SUPPLEMENTAL NUTRITION ASSISTANCE**
16 **PROGRAM.**

17 Section 17(k)(5)(A) of the Food and Nutrition Act
18 of 2008 (7 U.S.C. 2036(k)(5)(A)) is amended by striking
19 “2012” and inserting “2018”.

1 **SEC. 108. EXPANDING AND IMPROVING THE AFFORD-**
2 **ABILITY AND NUTRITIONAL INTEGRITY OF**
3 **THE USDA FRESH FRUIT AND VEGETABLE**
4 **PROGRAM.**

5 Subsection (b) of section 19 of the Richard B. Russell
6 National School Lunch Act (42 U.S.C. 1769a(b)) is
7 amended to read as follows:

8 “(b) PROGRAM.—A school participating in the pro-
9 gram—

10 “(1) shall make free fruits and vegetables avail-
11 able to students throughout the school day (or at
12 such other times as are considered appropriate by
13 the Secretary) in 1 or more areas designated by the
14 school; and

15 “(2) may make free fruits and vegetables in any
16 other form (such as fresh, frozen, dried, pureed, or
17 canned) available to students throughout the school
18 day (or at such other times as are considered appro-
19 priate by the Secretary) in 1 or more areas des-
20 ignated by the school only if such fruits and vegeta-
21 bles meet any additional nutrition specifications, as
22 established by the Secretary.”.

1 **TITLE II—CREATION OF THE**
2 **HEALTHY FOOD FINANCING**
3 **INITIATIVE**

4 **SEC. 201. PURPOSE AND DEFINITIONS.**

5 (a) PURPOSE.—The purpose of the Healthy Food Fi-
6 nancing Initiative is to improve access to healthy foods
7 in underserved areas, to create and preserve quality jobs,
8 and to revitalize low-income communities by providing
9 loans and grants to retailers of fresh and healthy food to
10 overcome the higher costs and initial barriers to entry in
11 underserved urban, suburban, and rural areas.

12 (b) DEFINITIONS.—In this title:

13 (1) COMMUNITY DEVELOPMENT FINANCIAL IN-
14 STITUTION.—The term “community development fi-
15 nancial institution” has the meaning given the term
16 in section 103 of the Community Development
17 Banking and Financial Institutions Act of 1994 (12
18 U.S.C. 4702).

19 (2) EXPAND OR PRESERVE THE AVAILABILITY
20 OF FRESH FRUITS AND VEGETABLES IN UNDER-
21 SERVED AREAS.—The term “expand or preserve the
22 availability of fresh fruits and vegetables in under-
23 served areas” means—

24 (A) in the case of a project not involving
25 a regional food hub, a project that—

- 1 (i) carries a variety of fresh produce,
2 as defined by the national fund manager to
3 reflect differences in project size and type;
- 4 (ii) sells food for home preparation
5 and consumption; and
- 6 (iii) at a minimum—
- 7 (I) offers for sale at least 3 dif-
8 ferent varieties of food in each of the
9 4 staple food groups (bread and
10 grains, dairy, fruits and vegetables,
11 and meat, poultry, and fish), with per-
12 ishable food in at least 2 categories,
13 on a daily basis; or
- 14 (II) has at least 50 percent of
15 the total sales of the store (including
16 food and nonfood items or services)
17 from the sale of eligible staple food;
18 and
- 19 (B) in the case of a regional food hub, a
20 project that—
- 21 (i) supplies a variety of fresh produce
22 to a healthy food retailer located in an un-
23 derserved, low- and moderate-income area;
24 and

1 (ii) participates in the supplemental
2 nutrition assistance program established
3 under the Food and Nutrition Act of 2008
4 (7 U.S.C. 2011 et seq.).

5 (3) FARMERS' MARKET.—The term “farmers’
6 market” means a common facility or area in which
7 several agricultural producers gather on a regular
8 and recurring basis to sell a variety of fresh fruits
9 and vegetables and other locally grown agricultural
10 products directly to consumers.

11 (4) FOOD ACCESS ORGANIZATION.—The term
12 “food access organization” means a nonprofit orga-
13 nization with expertise in improving access to
14 healthy food in underserved communities.

15 (5) HEALTHY FOOD RETAILER.—The term
16 “healthy food retailer” means a commercial, cooper-
17 ative, and nonprofit seller of fresh or healthy food,
18 including a grocery store, mobile healthy food re-
19 tailer, farmers’ market, cooperative, corner store,
20 bodega, or other store that sells other food and non-
21 food options along with a full range of fresh or
22 healthy foods.

23 (6) INITIATIVE.—The term “Initiative” means
24 the Healthy Food Financing Initiative.

1 (7) LOCAL FUNDS.—The term “local funds”
2 means the allocation of national funds and any other
3 forms of financial assistance (including grants,
4 loans, and equity investments) that are raised by
5 partnerships to carry out the purposes of the Initia-
6 tive.

7 (8) NATIONAL FUNDS.—The term “national
8 funds” means amounts appropriated to carry out the
9 Initiative and any other forms of financial assistance
10 (including grants, loans, and equity investments)
11 that are raised by the national fund manager to
12 carry out the Initiative.

13 (9) NATIONAL FUND MANAGER.—The term
14 “national fund manager” means a community devel-
15 opment financial institution in existence as of the
16 date of enactment of this Act and certified by the
17 Community Development Financial Institutions
18 Fund of the Department of the Treasury that is des-
19 ignated by the Secretary to manage the Initiative for
20 purposes of—

21 (A) raising private capital;

22 (B) providing financial and technical as-
23 sistance to partnerships; and

24 (C) funding eligible projects directly at the
25 request of partnerships to attract retailers of

1 healthy food to underserved urban, suburban,
2 and rural areas in accordance with this title.

3 (10) PARTNERSHIP.—

4 (A) IN GENERAL.—The term “partner-
5 ship” means a regional, State, or local public
6 and private partnership that is organized to im-
7 prove access to healthy foods by providing fi-
8 nancial and technical assistance to eligible
9 projects.

10 (B) INCLUSIONS.—The term includes—

11 (i) an unit of State, local, or tribal
12 government or a quasi-public State or local
13 government agency;

14 (ii) a food access or community health
15 organization committed to improving ac-
16 cess to healthy foods;

17 (iii) a community development finan-
18 cial institution or other organization that
19 is capable of administering a loan and
20 grant program in accordance with this
21 title; and

22 (iv) other organizations interested in
23 improving access to healthy foods in under-
24 served areas.

25 (11) PERISHABLE FOOD.—

1 (A) IN GENERAL.—The term “perishable
2 food” means food that is fresh, refrigerated, or
3 frozen.

4 (B) EXCLUSION.—The term “perishable
5 food” does not include packaged or canned
6 goods.

7 (12) REGIONAL FOOD HUB.—The term “re-
8 gional food hub” means a business or organization
9 that actively manages the aggregation, distribution,
10 and marketing of source-identified food products pri-
11 marily from local and regional producers to
12 strengthen the ability of the producers to satisfy
13 wholesale, retail, and institutional demand.

14 (13) SECRETARY.—The term “Secretary”
15 means the Secretary of Agriculture.

16 (14) SERVE.—The term “serve” means, with
17 respect to a regional food hub, that the regional food
18 hub, in connection with an eligible project, supplies
19 fresh produce or other healthy foods—

20 (A) to a healthy food retailer that partici-
21 pates in the supplemental nutrition assistance
22 program established under the Food and Nutri-
23 tion Act of 2008 (7 U.S.C. 2011 et seq.);

24 (B) to a healthy food retailer located in a
25 low- or moderate-income area; and

1 (C) to institutions such as hospitals,
2 schools, or food banks that largely serve a low-
3 and moderate-income area.

4 (15) STAPLE FOOD.—

5 (A) IN GENERAL.—The term “staple food”
6 means food that is a basic dietary item, includ-
7 ing bread, flour, fruits, vegetables, and meat.

8 (B) EXCLUSIONS.—The term “staple food”
9 does not include snack or accessory food (such
10 as chips, soda, coffee, condiments, and spices)
11 or ready-to-eat, prepared food.

12 (16) VARIETY.—The term “variety” means an
13 assortment of different types of food items.

14 **SEC. 202. ESTABLISHMENT OF HEALTHY FOOD FINANCING**
15 **INITIATIVE AND ELIGIBLE PROJECTS.**

16 (a) ESTABLISHMENT.—There is established in the
17 Department of Agriculture a Healthy Food Financing Ini-
18 tiative.

19 (b) MANAGEMENT.—Not later than 1 year after the
20 date of enactment of this Act, the Secretary shall select
21 and enter into a grant agreement with a national fund
22 manager that will be responsible for the management of
23 the Initiative.

24 (c) ELIGIBLE PROJECTS.—

1 (1) ELIGIBILITY CRITERIA.—Subject to the re-
2 quirements of this section, the national fund man-
3 ager shall establish the eligibility criteria for projects
4 to be assisted by the Initiative.

5 (2) REQUIRED PROJECT ELEMENTS.—To be eli-
6 gible to receive assistance through the Initiative, a
7 project shall—

8 (A) include a supermarket, grocery store,
9 regional food hub, farmers’ market, or other
10 healthy food retailer;

11 (B) consist of a for-profit business enter-
12 prise, a member- or worker-owned cooperative,
13 or a nonprofit organization;

14 (C) meet the eligibility criteria established
15 under this section;

16 (D) continue to be a viable business enter-
17 prise with a financial viability plan;

18 (E) require an investment of public fund-
19 ing to move forward and be competitive;

20 (F) operate on a self-service basis;

21 (G) expand or preserve the availability of
22 fresh fruits and vegetables in underserved areas
23 and other healthy, fresh, high quality unpre-
24 pared and unprocessed foods in such areas; and

1 (H)(i) in the case of a regional food hub,
2 serve retailers that accept benefits under the
3 supplemental nutrition assistance program es-
4 tablished under the Food and Nutrition Act of
5 2008 (7 U.S.C. 2011 et seq.); or

6 (ii) in the case of a retailer that is not a
7 regional food hub, agree to accept such benefits.

8 (d) INCOME CRITERIA.—Each eligible project shall be
9 located in or, in the case of a project involving a regional
10 food hub, shall serve—

11 (1) a low- or moderate-income census tract, as
12 determined by the Bureau of the Census of the De-
13 partment of Commerce;

14 (2) a population census tract that is treated as
15 a low-income community under section 45D(e) of the
16 Internal Revenue Code of 1986; or

17 (3) an area that significantly serves an adjacent
18 area that meets the criteria described in paragraph
19 (1) or (2), as approved by the national fund man-
20 ager.

21 (e) UNDERSERVED CRITERIA.—

22 (1) IN GENERAL.—Each eligible project shall be
23 located in, or in the case of a project involving a re-
24 gional food hub, shall serve, an underserved area, as

1 determined by the partnerships according to criteria
2 established by the national fund manager.

3 (2) FACTORS.—In determining whether an area
4 is an underserved area, the following factors shall be
5 taken into consideration:

6 (A) Population density.

7 (B) Below average supermarket density or
8 sales.

9 (C) Car ownership.

10 (D) Geographical or physical barriers, such
11 as highways, mountains, major parks, bodies of
12 water, or areas with large amounts of vacant
13 lots or foreclosed properties.

14 (3) LOCATIONS.—On an annual basis, the na-
15 tional fund manager shall collect data and publish
16 maps that show the location of underserved areas.

17 (f) PRIORITY PROJECTS.—

18 (1) IN GENERAL.—Priority shall be given to
19 projects that—

20 (A) are located in severely distressed low-
21 income communities, as defined by the Commu-
22 nity Development Financial Institutions Fund
23 of the Department of the Treasury; and

24 (B) include 1 or more of the following
25 characteristics:

1 (i) The project will create or retain
2 quality jobs in the community, as deter-
3 mined in accordance with paragraph (2).

4 (ii) The project has community sup-
5 port in terms of store quality, affordability,
6 site location, and coordination with local
7 community plans or other programs pro-
8 moting community and economic develop-
9 ment.

10 (iii) The project supports regional
11 food systems and locally grown foods, to
12 the extent available.

13 (iv) In major metropolitan areas, the
14 project is associated with a transit-oriented
15 development project.

16 (v) In areas with public transit, the
17 project is accessible by public transit.

18 (vi) The project involves the reuse of
19 a building that is listed in or eligible for
20 the National Register of Historic Places.

21 (vii) The project involves a brownfield
22 or grayfield (as those terms are used in the
23 Comprehensive Environmental Response,
24 Compensation, and Liability Act of 1980
25 (42 U.S.C. 9601 et seq.)).

1 (viii) The estimated energy consump-
2 tion of the project, calculated using build-
3 ing energy software approved by the De-
4 partment of Energy, will qualify the
5 project for designation under the Energy
6 Star program established by section 324A
7 of the Energy Policy and Conservation Act
8 (42 U.S.C. 6294a).

9 (ix) The project involves women- and
10 minority-owned businesses.

11 (2) QUALITY JOBS.—For purposes of para-
12 graph (1)(B)(i), a quality job is a job that—

13 (A) provides wages that are comparable to
14 or better than similar positions in existing busi-
15 nesses of similar size in similar local economies;

16 (B) offers benefits that are comparable to
17 or better than what is offered for similar posi-
18 tions in existing local businesses of similar size
19 in similar local economies; and

20 (C) is targeted for residents of neighbor-
21 hoods with a high proportion of persons of low
22 income (as that term is defined in section
23 102(a) of the Housing and Community Devel-
24 opment Act of 1974 (42 U.S.C. 5302(a)))
25 through local targeted hiring programs.

1 **SEC. 203. DUTIES OF SECRETARY.**

2 (a) IN GENERAL.—The Secretary shall—

3 (1) designate a national fund manager to man-
4 age national funds;

5 (2) oversee the Initiative nationally;

6 (3) work closely with the national fund man-
7 ager—

8 (A) to ensure that funds are used appro-
9 priately and in the most effective manner prac-
10 ticable; and

11 (B) to develop the program strategy into a
12 detailed work plan, program, and operating
13 budget;

14 (4) review and approve the operating budget for
15 the national fund manager to ensure that the admin-
16 istrative costs are—

17 (A) reasonable (not more than 5 percent of
18 the total budget);

19 (B) connected to the costs of operations;
20 and

21 (C) reflect efficient operations by the na-
22 tional fund manager; and

23 (5) make available to the public an annual re-
24 port, using data obtained from the Department of
25 Agriculture, the Department of Health and Human
26 Services, and the community development financial

1 institutions, that describes the impacts of the Initia-
2 tive, including tracking health and economic develop-
3 ment indicators at the local, State, and national lev-
4 els to determine the impacts of individual projects
5 and the collective impact in local areas and statewide
6 of funded projects and the Initiative overall.

7 (b) PERFORMANCE TARGETS.—

8 (1) IN GENERAL.—The Secretary shall conduct
9 financial audits of, and establish performance tar-
10 gets for, the national fund manager, which shall in-
11 clude, at a minimum, the requirements described in
12 this subsection.

13 (2) GEOGRAPHIC SPREAD.—Partnerships fund-
14 ed by the Initiative shall be geographically diverse
15 and representative of the underserved areas across
16 the United States.

17 (3) FOCUS ON LOW-INCOME COMMUNITIES.—A
18 substantial portion of the projects funded by part-
19 nerships shall serve very low- and low-income com-
20 munities, as defined by the Bureau of the Census of
21 the Department of Commerce.

22 (4) FINANCIAL EFFECTIVENESS OF THE NA-
23 TIONAL FUND MANAGER.—The national fund man-
24 ager and any local financial institution involved in a
25 partnership shall demonstrate on-going capacity and

1 timeliness in raising private capital and disbursing
2 funds as required under the Initiative.

3 (5) TECHNICAL ASSISTANCE EFFECTIVENESS
4 OF THE NATIONAL FUND MANAGER.—The provision
5 of technical assistance by the national fund manager
6 shall be evaluated based on—

7 (A) the responsiveness of the national fund
8 manager to requests for assistance; and

9 (B) the ability of the national fund man-
10 ager to craft programs that develop needed new
11 capacities in partnerships.

12 (6) IMPACT.—Performance targets shall ad-
13 dress the allocation of funds by the national fund
14 manager to partnerships and the tracking and re-
15 porting of the impacts of the funds in improving ac-
16 cess to fresh, healthy foods and in achieving other
17 related impacts.

18 (c) DISBURSEMENT OF FUNDS.—The Secretary shall
19 assist in the administration of the Initiative by approving
20 the disbursement of funds to the national fund manager
21 in a manner that facilitates the implementation of the
22 overall Initiative.

23 **SEC. 204. NATIONAL FUND MANAGER.**

24 (a) SELECTION OF NATIONAL FUND MANAGER.—
25 The Secretary shall select the national fund manager

1 through a competitive process from among community de-
2 velopment financial institutions that have a proven and
3 recent track record of success and effectiveness in—

4 (1) attracting private capital;

5 (2) developing and managing programs that
6 provide grants and loans to support supermarkets
7 and other healthy food retailers in low- and mod-
8 erate-income areas, including the development of
9 grocery stores, farmers markets, and other healthy
10 food retailer models;

11 (3) making and servicing loans that are similar
12 to loans proposed in the Initiative or having a record
13 of otherwise successfully investing in the develop-
14 ment of healthy food retailers;

15 (4) effectively managing multiple contracts and
16 subcontractors;

17 (5) effectively managing large capital pools, of
18 at least \$100,000,000; and

19 (6) providing or contracting for the provision of
20 technical assistance.

21 (b) RESPONSIBILITIES OF THE NATIONAL FUND
22 MANAGER.—The designated national fund manager
23 shall—

24 (1) raise other forms of financial assistance to
25 match or leverage the national funds;

1 (2) use administrative funds to develop appro-
2 priate training programs and offer technical assist-
3 ance services to—

4 (A) partnerships;

5 (B) State, local, and tribal governments;

6 (C) the food retail industry; and

7 (D) food access and health advocacy orga-
8 nizations to augment local capacities;

9 (3) develop financial products such as loans,
10 grants, and credit enhancement tools that can be
11 used by partnerships to incentivize and support the
12 development and retention of supermarkets and
13 other healthy food retailers in underserved areas;

14 (4) award Initiative funds to eligible partner-
15 ships through an annual competitive process in ac-
16 cordance with section 205(d);

17 (5) contract with a national food access organi-
18 zation to assist in the review of applications from
19 partnerships and to provide technical assistance to
20 local food access organizations in the proposed part-
21 nerships;

22 (6) award and disburse funds to partnerships or
23 eligible local projects in a timely manner;

1 (7) create and meet performance benchmarks
2 and reporting guidelines, as approved by the Sec-
3 retary, including for—

4 (A) the amount of capital raised and lever-
5 aged from financial institutions, partnerships,
6 and other resources;

7 (B) the geographic diversity of partner-
8 ships; and

9 (C) the proportion of projects funded by
10 the partnership that are in severely distressed
11 low-income communities;

12 (8) develop program guidelines and operating
13 procedures for the Initiative, including—

14 (A) maximum grant and loan amounts for
15 projects;

16 (B) eligible uses of funds;

17 (C) prudent underwriting criteria;

18 (D) performance targets;

19 (E) reporting guidelines;

20 (F) limits on administrative costs; and

21 (G) implementation milestones;

22 (9) monitor the performance of partnerships;
23 and

24 (10) collect data, compile information, and con-
25 duct such research studies as the national fund man-

1 ager determines to be relevant to the successful im-
2 plementation of the Initiative, including—

3 (A) to assess national and local market
4 conditions;

5 (B) to determine barriers to market entry;
6 and

7 (C) to identify opportunities for the devel-
8 opment or retention of supermarkets and other
9 healthy food retailers in underserved commu-
10 nities.

11 (c) WORK PLAN.—

12 (1) IN GENERAL.—Not later than 45 days after
13 the date of receipt of an award, the national fund
14 manager shall develop, with guidance from and in
15 consultation with the Secretary, and submit to the
16 Secretary, a detailed work plan.

17 (2) APPROVAL REQUIRED.—The Secretary shall
18 review and approve the work plan, program budget,
19 and administrative costs under subsection (e)(4)(C)
20 prior to entering into an agreement with the na-
21 tional fund manager to administer the Initiative.

22 **SEC. 205. ALLOCATION AND USE OF FUNDS.**

23 (a) ALLOCATION.—The national fund manager
24 shall—

1 (1) allocate at least 70 percent of all funds ap-
2 propriated for the Initiative for a fiscal year to part-
3 nerships that are selected based on the criteria de-
4 scribed in subsection (d);

5 (2) use not more than 25 percent of all funds
6 appropriated for the Initiative for a fiscal year to es-
7 tablish regional food hubs; and

8 (3) retain the remainder of the funds appro-
9 priated for the Initiative for a fiscal year to under-
10 take financing activities described in subsection (c),
11 including a reasonable amount for administrative
12 costs (not to exceed 5 percent) approved by the Sec-
13 retary.

14 (b) USE OF THE NATIONAL FUNDS BY PARTNERSHIP
15 PROGRAMS.—

16 (1) IN GENERAL.—As a condition on the receipt
17 of funds, each partnership shall use—

18 (A) the national funds received from the
19 national fund manager under subsection (a)(1)
20 to create 1 or more revolving loan programs or
21 other revolving pools of capital or other prod-
22 ucts to facilitate financing of local projects as
23 determined by the agreement between the part-
24 nership and the national fund manager; and

1 (B) any remaining funds for grants, or, as
2 approved, for innovative financing mechanisms.

3 (2) LIMITATIONS.—

4 (A) IN GENERAL.—Use of funds for ad-
5 ministrative costs and other purposes shall be—

6 (i) limited in accordance with the
7 terms of the agreement negotiated between
8 the national fund manager and partner-
9 ships;

10 (ii) based on whether administrative
11 costs are reasonable, connected to the costs
12 of operation, and reflect efficient oper-
13 ations by the partnership; and

14 (iii) determined using criteria includ-
15 ing geographic coverage, program duration,
16 and total funding amount.

17 (B) GOAL.—The goal of this paragraph is
18 to limit administrative costs to the maximum
19 extent practicable, but in no case may the
20 amount used for administrative costs exceed 10
21 percent of the Federal funds allocated.

22 (c) USE OF THE NATIONAL FUNDS BY THE NA-
23 TIONAL FUND MANAGER.—The national fund manager
24 shall use national funds described in subsection (a)(2) to
25 undertake financing and other activities to enhance and

1 maximize the effectiveness of the Initiative, as determined
2 by the agreement with the Secretary, including—

3 (1) attracting other forms of financial assist-
4 ance to match or leverage the national funds;

5 (2) awarding national funds to partnerships in
6 accordance with subsection (d);

7 (3) creating and managing pools of grant or
8 loan capital that blend or leverage national funds
9 with other forms of financial assistance, including
10 capital in the form of tax credits under section 45D
11 of the Internal Revenue Code of 1986, for the ben-
12 efit of partnerships;

13 (4) creating and managing pools of grant or
14 loan capital that blend or leverage the national funds
15 with other forms of financial assistance, including
16 capital in the form of tax credits under section 45D
17 of the Internal Revenue Code of 1986, to finance eli-
18 gible local projects identified by partnerships or the
19 national fund manager that have special or unique
20 characteristics;

21 (5) providing loans or grants directly to eligible
22 local projects as matching funds if requested by a
23 partnership;

1 (6) providing credit enhancement or other fi-
2 nancial products and instruments for the benefit of
3 partnerships or eligible local projects;

4 (7) providing technical assistance; and

5 (8) funding reasonable administrative costs ap-
6 proved by the Secretary.

7 (d) CRITERIA FOR AWARDING NATIONAL FUNDS TO
8 PARTNERSHIPS.—

9 (1) IN GENERAL.—The national fund manager
10 shall award national funds to partnerships through
11 a competitive process on an annual basis.

12 (2) FIRST ROUND PRIORITY.—In the first
13 round of funding, the national fund manager shall
14 give priority to existing partnerships that have de-
15 monstrable capacity to implement fresh food financ-
16 ing programs in underserved areas quickly.

17 (3) ADDITIONAL ROUNDS.—Additional rounds
18 shall be designed to promote geographic diversity.

19 (4) CRITERIA.—In awarding national funds to
20 partnerships, the national fund manager shall con-
21 sider—

22 (A) the amount of funds and other re-
23 sources pledged by a partnership to match or
24 leverage national funds;

1 (B) the degree of State, local, or tribal
2 government support of the partnership as evi-
3 denced by matching grant and loan funds or
4 other types of support, such as allocation of
5 tax-exempt bonds, loan guarantees, and coordi-
6 nation of resources from other State or local
7 economic development programs;

8 (C) the capacity of the partnership to suc-
9 cessfully develop and manage loan and grant
10 programs;

11 (D) the lack of supermarkets and other
12 healthy food retailers in low- and moderate-in-
13 come areas that would be served by the part-
14 nership;

15 (E) the experience of the food access or
16 community health organization of the partner-
17 ship in outreach about access to healthy foods
18 and local healthy food access issues;

19 (F) the degree of community engagement
20 and support in the development and retention
21 of supermarkets and other healthy food retail-
22 ers; and

23 (G) the contribution of the program of the
24 partnership to the overall geographic diversity
25 of the Initiative.

1 (e) ADMINISTRATIVE COSTS.—

2 (1) IN GENERAL.—Not later than 45 days after
3 the date of receipt of an award, the national fund
4 manager shall submit to the Secretary for approval
5 a 3-year program and operating budget and detailed
6 work plan that shall include—

7 (A) costs for research and evaluation, tech-
8 nical assistance, and training; and

9 (B) program and operating costs.

10 (2) EARNED REVENUES.—Earned revenues
11 from loan fees and interest may be expended on pro-
12 gram and operating costs in accordance with the
13 budget approved by the Secretary.

14 (3) BASIS OF REVIEW.—The Secretary shall
15 base the review under subparagraph (A) on—

16 (A) the likelihood of the plan and expendi-
17 tures to further the purposes of this section;
18 and

19 (B) whether the administrative costs are
20 reasonable, connected to the costs of operation,
21 and reflect efficient operations by the national
22 fund manager.

23 **SEC. 206. PARTNERSHIPS.**

24 (a) IN GENERAL.—Each partnership that receives as-
25 sistance through the Initiative shall provide financial and

1 technical assistance to eligible healthy food retailer
2 projects in underserved areas within the defined commu-
3 nities of the partnership.

4 (b) ADMINISTRATION.—Each partnership shall des-
5 ignate a community development financial institution or
6 other organization that is capable of administering a loan
7 and grant program—

8 (1) to execute grant agreements with the na-
9 tional fund manager; and

10 (2) to serve as the manager of local funds.

11 (c) RESPONSIBILITIES OF PARTNERSHIPS.—A part-
12 nership shall—

13 (1) raise other forms of financial assistance to
14 match the national funds received by the partner-
15 ship;

16 (2) provide marketing and outreach to commu-
17 nities, the supermarket industry, other healthy food
18 retailers, State and local government officials, and
19 civic and public interest organizations—

20 (A) to solicit applications from underserved
21 areas from across the State or locality to be
22 served by the partnership; and

23 (B) to inform the communities and other
24 persons about the availability of grants, loans,
25 training, and technical assistance;

1 (3) review and underwrite projects to determine
2 whether—

3 (A) a proposed project meets the criteria
4 for eligible projects under section ____02; and

5 (B) a proposed project meets the criteria
6 for priority projects under subsection (g) of
7 such section;

8 (4) provide technical assistance services to oper-
9 ators and developers of healthy food retailers;

10 (5) track and report outcomes, including—

11 (A) the number of jobs created or retained;

12 (B) the quantity of healthy food retailer
13 space created or retained and the quantity of
14 regional food hub capacity developed; and

15 (C) such other health and economic indica-
16 tors as are required by the national fund man-
17 ager;

18 (6) monitor and audit funded projects to ensure
19 compliance with the Initiative, the national fund
20 manager, and partnership program requirements for
21 a period of at least 3 years;

22 (7) submit an annual report to the national
23 fund manager that describes—

24 (A) the activities of the partnership;

25 (B) the expenditure of local funds; and

1 (C) success in meeting performance targets
2 and satisfying such other terms and conditions
3 as are specified in the agreement between the
4 partnership and the national fund manager;
5 and

6 (8) coordinate with the national fund manager
7 for the smooth operation of the Initiative.

8 (d) ADMINISTRATIVE COSTS.—

9 (1) IN GENERAL.—As a condition on the receipt
10 of assistance under this section, each partnership
11 shall submit to the national fund manager for ap-
12 proval a 3-year budget and plan for all program and
13 operating costs, including—

14 (A) costs for research and evaluation, tech-
15 nical assistance, and training; and

16 (B) administrative and operating costs.

17 (2) EARNED REVENUES.—Earned revenues
18 from loan fees and interest may be expended on pro-
19 gram and operating costs in accordance with the
20 budget approved by the national fund manager.

21 (3) BASIS OF REVIEW.—The national fund
22 manager shall base the review of the budget and
23 plan under paragraph (1) on the likelihood of the
24 budget and plan to further the purposes of the Ini-
25 tiative.

1 **SEC. 207. EVALUATION AND MONITORING.**

2 (a) IN GENERAL.—Program evaluation and financial
3 audits shall occur at all levels of the Initiative to ensure
4 that—

5 (1) national and local funds are used properly;

6 and

7 (2) the objectives of the Initiative are met.

8 (b) PROGRAM EVALUATION AND FINANCIAL AU-
9 DITS.—

10 (1) IN GENERAL.—The Secretary shall—

11 (A) conduct periodic program evaluations
12 and financial audits of the national fund man-
13 ager, partnerships, and projects funded by the
14 Initiative; and

15 (B) share with the national fund manager
16 the results of the evaluations and audits.

17 (2) FUNDED PROJECTS.—The Secretary or the
18 national fund manager shall evaluate partnerships to
19 assess the health and economic impacts of projects
20 funded by the Initiative.

21 (3) OTHER IMPACTS.—

22 (A) SECRETARY OF HEALTH AND HUMAN
23 SERVICES.—The Secretary of Health and
24 Human Services shall conduct research studies
25 and evaluate the health impacts of the Initia-
26 tive.

1 (B) COMMUNITY DEVELOPMENT FINAN-
2 CIAL INSTITUTIONS.—Representatives of the
3 community development financial institutions
4 shall conduct research studies and evaluate the
5 economic impacts of the Initiative.

6 (4) PARTNERSHIPS.—

7 (A) IN GENERAL.—Each partnership
8 shall—

9 (i) conduct periodic administrative
10 and financial audits of projects funded by
11 the Initiative; and

12 (ii) share with the national fund man-
13 ager the results of the audits.

14 (B) FAILURE OF PARTNERSHIP.—In a
15 case in which a partnership fails, the national
16 fund manager shall take over the portfolio of
17 the failed partnership.

18 **SEC. 208. ADMINISTRATIVE PROVISIONS.**

19 Not later than 180 days after the date of enactment
20 of this Act, the Secretary shall promulgate such regula-
21 tions as may be necessary to carry out the Initiative, in-
22 cluding regulations—

23 (1) for the conduct of a performance evaluation
24 at the end of the initial 5-year period;

25 (2) to terminate the contract for cause; and

1 (3) to extend the contract for an additional 5-
2 year period.

3 **SEC. 209. AUTHORIZATION OF APPROPRIATIONS.**

4 There is authorized to be appropriated to the Sec-
5 retary to carry out the Initiative \$500,000,000. Amounts
6 appropriated pursuant to this authorization of appropria-
7 tion shall remain available until expended.

8 **TITLE III—DEVELOPMENT OF**
9 **SUSTAINABLE URBAN AGRI-**
10 **CULTURE**

11 **SEC. 301. COMMUNITY GARDENING GRANT PROGRAM.**

12 (a) PROGRAM ESTABLISHED.—From the amounts
13 appropriated to carry out this section, the Secretary of
14 Agriculture shall award grants to eligible entities to ex-
15 pand, establish, or maintain urban and Native American
16 community gardens.

17 (b) APPLICATION.—In order to receive a grant under
18 this section, an eligible entity shall submit to the Secretary
19 an application at such time, in such manner, and con-
20 taining such information as the Secretary may require, in-
21 cluding—

22 (1) an assurance that priority for hiring for
23 jobs created by the expansion, establishment, or
24 maintenance of an urban community garden funded
25 with a grant received under this section will be given

1 to individuals who reside in the community where
2 the garden is located; and

3 (2) a demonstration that the eligible entity is
4 committed to providing non-Federal financial or in-
5 kind support (such as, but not limited to, providing
6 a water supply) for the community garden for which
7 the entity receives funds under this section.

8 (c) DEFINITIONS.—In this section:

9 (1) ELIGIBLE ENTITY.—The term “eligible enti-
10 ty” means—

11 (A) a for profit or nonprofit organization;

12 or

13 (B) a unit of general local government, or
14 tribal government, located on tribal land or in
15 a low-income community.

16 (2) LOW-INCOME COMMUNITY.—The term “low-
17 income community” has the meaning given such
18 term by the Secretary of Agriculture.

19 (3) UNIT OF GENERAL LOCAL GOVERNMENT.—
20 The term “unit of general local government” means
21 any city, county, town, township, parish, village, or
22 other general purpose political subdivision of a
23 State.

24 (4) STATE.—The term “State” includes, in ad-
25 dition to the several States of the United States, the

1 Commonwealth of Puerto Rico, the District of Co-
2 lumbia, the Virgin Islands, Guam, American Samoa,
3 and the Commonwealth of the Northern Mariana Is-
4 lands.

5 **SEC. 302. GRANTS FOR CONVERSION OF ABANDONED AND**
6 **FORECLOSED PROPERTY TO URBAN AGRI-**
7 **CULTURAL USES.**

8 (a) GRANTS AUTHORIZED.—The Secretary of Agri-
9 culture may make grants on a competitive basis to assist
10 an eligible entity described in subsection (b)—

11 (1) to acquire, by purchase or lease, abandoned
12 or foreclosed real property in an urban area where
13 there is limited or no agricultural production; and

14 (2) to convert the property to an agricultural
15 use authorized by subsection (c).

16 (b) ELIGIBLE ENTITIES DESCRIBED.—Grants may
17 be made under this section to a community organization,
18 municipality, institution of higher education, local school
19 district, nonprofit organization, or for-profit entity.

20 (c) AUTHORIZED AGRICULTURAL USES.—Real prop-
21 erty acquired using grant funds may be used for any of
22 the following purposes:

23 (1) Projects to encourage the production of
24 local foods in an urban area.

1 (2) Projects to strengthen local food distribu-
2 tion systems in an urban area.

3 (3) Projects to create sustainable food systems
4 in an urban area.

5 (4) Projects to create or expand the opportuni-
6 ties to consume fresh fruits and vegetables in an
7 urban area.

8 (5) Projects to promote agricultural processing
9 in an urban area.

10 (6) Projects to encourage recipients of Federal
11 and State domestic food assistance programs to pur-
12 chase locally grown or produced foods.

13 (7) Projects to promote education and training
14 related to best practices for agricultural production
15 in an urban area.

16 (8) Projects to promote education initiatives
17 that promote the nutritional benefits of consuming
18 locally produced foods.

19 (9) Other projects to promote economic develop-
20 ment through agricultural production in an urban
21 area.

22 (d) GRANT LIMITATION.—The amount of a grant
23 made under this section shall not exceed \$500,000.

1 (e) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to the Secretary such
3 amounts as may be necessary to carry out this section.

4 **SEC. 303. EXPANSION OF HARVESTCORPS PROGRAM.**

5 (a) AUTHORITY TO FUND HARVESTCORPS
6 GRANTS.—The Secretary of Agriculture may enter into an
7 agreement with the Director of the Corporation for Na-
8 tional and Community Service, under which the Secretary
9 will provide funds to the Corporation for National and
10 Community Service to make up to 10 annual grants under
11 section 121 of the National and Community Service Act
12 of 1990 (42 U.S.C. 12571) to support the creation of the
13 HarvestCorps program—

14 (1) to alleviate poverty and meet the food needs
15 of low-income people by increasing their access to
16 supportive programs, such as the Summer Food
17 Service Program, the Supplemental Nutrition Assist-
18 ance Program, tax credits, and other programs, that
19 increase the revenue and economic health of the low-
20 income communities; and

21 (2) to engage community resources and pro-
22 mote partnerships that address local food access
23 issues.

24 (b) GRANT PROCESS; ELIMINATION OF COST-SHAR-
25 ING REQUIREMENTS.—

1 (1) COMPETITIVE PROCESS.—Grants funded by
2 the Secretary under subsection (a) shall be awarded
3 by the Corporation on a competitive basis. The Cor-
4 poration shall extend a preference to eligible entities
5 (as described in section 121(a) of the National and
6 Community Service Act of 1990 (42 U.S.C.
7 12571(a))) operating in the 10 States with the high-
8 est food insecurity rates, as measured by the De-
9 partment of Agriculture.

10 (2) GRANT AMOUNT; DURATION.—A grant
11 funded by the Secretary under subsection (a) may
12 not exceed \$1,000,000 per year. The grant recipient
13 may not receive a grant under this section for more
14 than three years.

15 (3) MATCHING FUNDS.—The matching funds
16 requirement of section 121(e) of the National and
17 Community Service Act of 1990 (42 U.S.C.
18 12571(e)) shall not apply to grants funded by the
19 Secretary under subsection (a).

20 (c) STATEWIDE USE OF GRANT.—The recipient of a
21 grant funded by the Secretary under subsection (a) shall
22 agree to provide services on a statewide basis.

23 (d) SHARING INFORMATION.—The Secretary and the
24 Corporation may provide for the sharing of information
25 concerning HarvestCorps projects through publications,

1 conferences, and other appropriate forums, including shar-
2 ing information with researchers, practitioners, and other
3 interested parties.

4 (e) AUTHORIZATION OF APPROPRIATIONS.—There is
5 authorized to be appropriated to the Secretary of Agri-
6 culture \$10,000,000 for each of fiscal years 2014, 2015,
7 and 2016 to carry out this section.

8 **SEC. 304. ACQUISITION OF PUBLICALLY OWNED LAND AND**
9 **CONVERSION TO URBAN FARMS AND COMMU-**
10 **NITY GARDENS.**

11 (a) DEFINITIONS.—In this section:

12 (1) FOOD DESERT.—The term “food desert”
13 has the meaning given the term “underserved com-
14 munity” in section 25(a)(3) of the Food and Nutri-
15 tion Act of 2008 (7 U.S.C. 2034(a)(3)).

16 (2) COMMUNITY LAND TRUST.—The term
17 “community land trust” means a community hous-
18 ing development organization, as such term is de-
19 fined in section 104(6) of the Cranston-Gonzalez
20 National Affordable Housing Act (42 U.S.C.
21 12704(6)), except that the requirements under sub-
22 paragraphs (C) and (D) of such section shall not
23 apply for purposes of this section.

24 (b) GRANTS AUTHORIZED.—The Secretary of Agri-
25 culture shall make competitive grants to nonprofit organi-

1 zations, including community land trusts, to assist the or-
2 ganizations—

3 (1) to purchase publically owned land in a food
4 desert; and

5 (2) to convert the land for use as an urban
6 farm or community garden for the production of af-
7 fordable, nutritious foods.

8 (c) MATCHING FUNDS REQUIREMENT.—As a condi-
9 tion of receiving a grant under this section, the nonprofit
10 organization shall provide an amount of funds equal to
11 not less than the amount of the grant.

12 (d) AUTHORIZATION OF APPROPRIATIONS.—There is
13 authorized to be appropriated to the Secretary of Agri-
14 culture such amounts as may be necessary to carry out
15 this section.

16 **SEC. 305. URBAN AGRICULTURAL WORKFORCE TRAINING**
17 **PILOT PROGRAM.**

18 (a) AUTHORITY.—The Secretary of Agriculture, in
19 consultation with the Secretary of Labor, shall award not
20 more than 25 grants to eligible entities to develop and im-
21 plement urban agricultural workforce training programs.

22 (b) GRANTS.—

23 (1) APPLICATION.—An eligible entity seeking a
24 grant under this section shall submit to the Sec-
25 retary of Agriculture an application containing—

1 (A) a description of the urban agricultural
2 workforce training program such entity intends
3 to develop and implement using grant funds;
4 and

5 (B) such other information as the Sec-
6 retary may require.

7 (2) EQUAL AMOUNTS.—The Secretary of Agri-
8 culture shall award grants under this section in
9 equal amounts.

10 (c) TERM OF GRANTS; CONDITION.—

11 (1) TERM.—The term of a grant awarded
12 under this section shall be two years.

13 (2) CONDITION.—

14 (A) TWO-YEAR AVAILABILITY OF GRANT
15 FUNDS.—Each recipient of a grant under this
16 section shall return to the Secretary of Agri-
17 culture any unused portion of such grant at the
18 end of the two-year period beginning on the
19 date the grant was awarded, together with any
20 earnings on such unused portion.

21 (B) AMOUNTS RETURNED.—The Secretary
22 of Agriculture shall return to the general fund
23 of the Treasury of the United States any
24 amounts returned pursuant to subparagraph
25 (A).

1 (d) USE OF GRANTS.—

2 (1) IN GENERAL.—An eligible entity that re-
3 ceives a grant under this section may only use grant
4 funds for the following purposes:

5 (A) To develop and implement an urban
6 agricultural workforce training program in ac-
7 cordance with paragraph (2).

8 (B) To provide funding to trainees to de-
9 fray the start-up costs for new urban agricul-
10 tural businesses of such trainees.

11 (2) URBAN AGRICULTURAL ACTIVITIES.—An
12 urban agricultural workforce training program devel-
13 oped and implemented by an eligible entity receiving
14 a grant under this section shall provide training for
15 individuals to carry out any of the following urban
16 agricultural activities:

17 (A) Designing, constructing, and maintain-
18 ing biocellar structures.

19 (B) Community gardening.

20 (C) Urban farming.

21 (D) Viticulture.

22 (E) Agricultural education.

23 (F) Rehabilitating land for agricultural
24 use.

25 (G) Developing farmers' markets.

1 (H) Transporting fresh, local food.

2 (I) Developing mobile pantries for fresh
3 produce.

4 (3) LIMITATION.—Not less than 30 percent of
5 the amount received through a grant awarded under
6 this section shall be used to provide the funding de-
7 scribed in paragraph (1)(B).

8 (e) DEFINITIONS.—In this section:

9 (1) ELIGIBLE ENTITY.—The term “eligible enti-
10 ty” means—

11 (A) a unit of general local government lo-
12 cated in an urban area (as defined by the Bu-
13 reau of the Census);

14 (B) a tribal government;

15 (C) an accredited college or university; or

16 (D) a nonprofit organization.

17 (2) STATE.—The term “State” includes, in ad-
18 dition to the several States of the United States, the
19 Commonwealth of Puerto Rico, the District of Co-
20 lumbia, the Virgin Islands, Guam, American Samoa,
21 and the Commonwealth of the Northern Mariana Is-
22 lands.

23 (3) UNIT OF GENERAL LOCAL GOVERNMENT.—
24 The term “unit of general local government” means
25 any city, county, town, township, parish, village, or

1 other general purpose political subdivision of a
2 State.

3 (f) AUTHORIZATION OF APPROPRIATIONS.—There
4 are authorized to be appropriated to carry out this section
5 \$5,000,000 for each of fiscal years 2014 through 2018.

6 **SEC. 306. URBAN AGRICULTURE DEVELOPMENT GRANTS**
7 **PROGRAM.**

8 (a) IN GENERAL.—The Secretary of Agriculture may
9 make grants to persons to cover the cost of establishing
10 or operating a farm, garden, or aquacultural or other facil-
11 ity, in an urban area, for the production of an agricultural
12 or aquacultural product or the raising of livestock for sale
13 exclusively in the urban area.

14 (b) LIMITATIONS ON USE OF GRANT.—A person to
15 whom a grant is made under subsection (a) shall not use
16 the grant for any expense other than for community edu-
17 cational programming, transportation, equipment, utili-
18 ties, construction, rehabilitation of property, feed, or oper-
19 ating expenses (excluding salaries).

20 (c) LIMITATIONS ON AUTHORIZATION OF APPRO-
21 PRIATIONS.—For grants under subsection (a), there are
22 authorized to be appropriated to the Secretary of Agri-
23 culture not more than \$8,000,000,000 for each fiscal year.

1 **SEC. 307. CLEAN AND SAFE DRINKING WATER FOR URBAN**
2 **AREAS AND WATERWAYS.**

3 Section 1234(c)(3)(B) of the Food Security Act of
4 1985 (16 U.S.C. 3834(c)(3)(B)) is amended by inserting
5 “, or the extent to which water quality in a metropolitan
6 statistical area (as defined by the Director of the Office
7 of Management and Budget) downstream from the land
8 that is the subject of the contract offer may be improved”
9 before the period at the end.

10 **SEC. 308. EXTENSION OF ASSISTANCE TO SOCIALLY DIS-**
11 **ADVANTAGED URBAN FARMERS AND RANCH-**
12 **ERS.**

13 (a) **ELIGIBLE LAND.**—Section 1240A(1)(B)(vi) of
14 the Food Security Act of 1985 (16 U.S.C. 3839aa–
15 1(1)(B)(vi)) is amended by inserting “urban agricultural
16 land,” before “and agricultural land”.

17 (b) **INCREASED PAYMENTS FOR CERTAIN PRO-**
18 **DUCERS.**—Section 1240B(d)(4)(A) of the Food Security
19 Act of 1985 (16 U.S.C. 3839aa–2(d)(4)(A)) is amended
20 by inserting “, including a socially disadvantaged farmer
21 engaged in farming in an urban area of 50,000 or more
22 people,” before “or a beginning farmer or rancher,”.

23 (c) **ASSISTANCE TO CERTAIN FARMERS OR RANCH-**
24 **ERS FOR CONSERVATION ACCESS.**—Section
25 1241(g)(1)(B) of the Food Security Act of 1985 (16
26 U.S.C. 3841(g)(1)(B)) is amended by inserting “, includ-

1 ing socially disadvantaged farmers engaged in farming in
2 an urban area of 50,000 or more people” before the period
3 at the end.

4 **SEC. 309. URBAN ENTREPRENEUR AND MICROENTERPRISE**
5 **ASSISTANCE PROGRAM.**

6 Subtitle D of the Consolidated Farm and Rural De-
7 velopment Act is amended by inserting after section 365
8 (7 U.S.C. 2008) the following:

9 **“SEC. 366. URBAN ENTREPRENEUR AND MICROENTER-**
10 **PRISE ASSISTANCE PROGRAM.**

11 “(a) DEFINITIONS.—In this section:

12 “(1) ECONOMICALLY DISADVANTAGED MICRO-
13 ENTREPRENEUR.—The term ‘economically disadvan-
14 tagged microentrepreneur’ means an owner, majority
15 owner, or developer of a microenterprise that has the
16 ability to compete in the private sector but has been
17 impaired because of diminished capital and credit
18 opportunities, as compared to other microentre-
19 preneurs in the industry.

20 “(2) INDIAN TRIBE.—The term ‘Indian tribe’
21 has the meaning given the term in section 4 of the
22 Indian Self-Determination and Education Assistance
23 Act (25 U.S.C. 450b).

1 “(3) INTERMEDIARY.—The term ‘intermediary’
2 means a private, nonprofit entity that provides as-
3 sistance—

4 “(A) to a microenterprise development or-
5 ganization; or

6 “(B) for a microenterprise development
7 program.

8 “(4) LOW-INCOME INDIVIDUAL.—The term low-
9 income individual means an individual with an in-
10 come (adjusted for family size) of not more than the
11 greatest of—

12 “(A) 80 percent of median income of an
13 area;

14 “(B) 80 percent of the statewide non-met-
15 ropolitan area median income; or

16 “(C) 80 percent of the national median in-
17 come.

18 “(5) MICROCREDIT.—The term ‘microcredit’
19 means a business loan or loan guarantee of not more
20 than \$50,000 that is provided to an urban entre-
21 preneur.

22 “(6) MICROENTERPRISE.—The term ‘microen-
23 terprise’ means—

24 “(A) a sole proprietorship; or

1 “(B) a business entity with not more than
2 10 full-time-equivalent employees.

3 “(7) MICROENTERPRISE DEVELOPMENT ORGA-
4 NIZATION.—

5 “(A) IN GENERAL.—The term ‘microenter-
6 prise development organization’ means a pri-
7 vate, nonprofit entity that—

8 “(i) provides training and technical
9 assistance to urban entrepreneurs; and

10 “(ii) facilitates access to capital or an-
11 other service described in subsection (b)
12 for urban entrepreneurs.

13 “(B) INCLUSIONS.—The term ‘microenter-
14 prise development organization’ includes an or-
15 ganization described in subparagraph (A) with
16 a demonstrated record of delivering services to
17 economically disadvantaged microentrepreneurs,
18 or an effective plan to develop a program to de-
19 liver microenterprise services to urban entre-
20 preneurs effectively, as determined by the Sec-
21 retary.

22 “(8) MICROENTERPRISE DEVELOPMENT PRO-
23 GRAM.—The term ‘microenterprise development or-
24 ganization’ means a program administered by an or-
25 ganization serving an urban area.

1 “(9) MICROENTREPRENEUR.—The term ‘micro-
2 entrepreneur’ means the owner, operator, or devel-
3 oper of a microenterprise.

4 “(10) PROGRAM.—The term ‘program’ means
5 the urban entrepreneur and microenterprise program
6 established under subsection (b)(1).

7 “(11) QUALIFIED ORGANIZATION.—The term
8 ‘qualified organization’ means—

9 “(A) a microenterprise development orga-
10 nization or microenterprise development pro-
11 gram that has a demonstrated record of deliv-
12 ering microenterprise services to urban entre-
13 preneurs, or an effective plan to develop a pro-
14 gram to deliver microenterprise services to
15 urban entrepreneurs effectively, as determined
16 by the Secretary;

17 “(B) an intermediary that has a dem-
18 onstrated record of delivery assistance to micro-
19 enterprise development organizations or micro-
20 enterprise development programs;

21 “(C) a microenterprise development orga-
22 nization or microenterprise development pro-
23 gram that serves urban entrepreneurs;

24 “(D) an Indian tribe, the tribal govern-
25 ment of which certifies to the Secretary that no

1 microenterprise development organization or
2 microenterprise development program exists
3 under the jurisdiction of the Indian tribe;

4 “(E) a group of 2 or more organizations or
5 Indian tribes described in any of subparagraphs
6 (A) through (D) that agree to act jointly as a
7 qualified organization under this section; or

8 “(F) for purposes of subsection (b), a pub-
9 lic college or university.

10 “(12) URBAN AREA.—The term ‘urban area’
11 means any community that is urban in character
12 and has—

13 “(A) a population of more than 25,000 in-
14 dividuals; or

15 “(B) an average population density of at
16 least 1,000 individuals per square mile.

17 “(13) URBAN CAPACITY BUILDING SERVICE.—
18 The term ‘urban capacity building service’ means a
19 service provided to an organization that—

20 “(A) is, or is in the process of becoming,
21 a microenterprise development organization or
22 microenterprise development program; and

23 “(B) serves urban areas for the purpose of
24 enhancing the ability of the organization to pro-

1 vide training, technical assistance, and other re-
2 lated services to urban entrepreneurs.

3 “(14) URBAN ENTREPRENEUR.—The term
4 ‘urban entrepreneur’ means a microentrepreneur, or
5 prospective microentrepreneur—

6 “(A) the principal place of business of
7 which is in a urban area; and

8 “(B) that is unable to obtain sufficient
9 training, technical assistance, or microcredit
10 elsewhere, as determined by the Secretary.

11 “(15) SECRETARY.—The term ‘Secretary’
12 means the Secretary of Agriculture, acting through
13 the Rural Business-Cooperative Service.

14 “(16) TRIBAL GOVERNMENT.—The term ‘tribal
15 government’ means the governing body of an Indian
16 tribe.

17 “(b) URBAN ENTREPRENEURSHIP AND MICROEN-
18 TERPRISE PROGRAM.—

19 “(1) ESTABLISHMENT.—The Secretary shall es-
20 tablish an urban entrepreneurship and microenter-
21 prise program.

22 “(2) PURPOSE.—The purpose of the program
23 shall be to provide low-income individuals and mod-
24 erate-income individuals with—

1 “(A) the skills necessary to establish new
2 small businesses in urban areas; and

3 “(B) continuing technical and financial as-
4 sistance as individuals and business starting or
5 operating small businesses.

6 “(3) GRANTS.—

7 “(A) IN GENERAL.—The Secretary may
8 make a grant under the program to a qualified
9 organization—

10 “(i) to provide training, operational
11 support, or an urban capacity building
12 service to a qualified organization to assist
13 the qualified organization in developing mi-
14 croenterprise training, technical assistance,
15 market development assistance, and other
16 related services, primarily for business with
17 5 or fewer full-time-equivalent employees;

18 “(ii) to assist in researching and de-
19 veloping the best practices in delivering
20 training, technical assistance, and micro-
21 credit to urban entrepreneurs; and

22 “(iii) to carry out such other projects
23 and activities as the Secretary determines
24 to be consistent with the purposes of this
25 section.

1 “(B) SUBGRANTS.—Subject to such regu-
2 lations as the Secretary may promulgate, a
3 qualified organization that receives a grant
4 under this paragraph may use the grant to pro-
5 vide assistance to other qualified organizations,
6 such as small or emerging qualified organiza-
7 tions.

8 “(C) DIVERSITY.—In making grants under
9 this paragraph, the Secretary shall ensure, to
10 the maximum extent practicable, that grant re-
11 cipients include qualified organizations—

12 “(i) of varying sizes; and

13 “(ii) that serve racially- and eth-
14 nically-diverse populations.

15 “(D) COST SHARING.—

16 “(i) FEDERAL SHARE.—The Federal
17 share of the cost of a project carried out
18 using funds from a grant made under this
19 paragraph shall be 75 percent.

20 “(ii) FORM OF NON-FEDERAL
21 SHARE.—The non-Federal share of the
22 cost of a project described in clause (i)
23 may be provided—

1 “(I) in cash (including through
2 fees, grants (including community de-
3 velopment block grants), and gifts); or

4 “(II) in kind.

5 “(4) URBAN MICROLOAN PROGRAM.—

6 “(A) ESTABLISHMENT.—In carrying out
7 the program, the Secretary may carry out an
8 urban microloan program.

9 “(B) PURPOSE.—The purpose of the
10 urban microloan program shall be to provide
11 technical and financial assistance to sole propri-
12 etorships and small businesses located in urban
13 areas with a particular focus on those busi-
14 nesses with 5 or fewer full-time equivalent em-
15 ployees.

16 “(C) AUTHORITY OF SECRETARY.—In car-
17 rying out the urban microloan program, the
18 Secretary may—

19 “(i) make direct loans to qualified or-
20 ganizations for the purpose of making
21 short-term, fixed interest rate microloans
22 to startup, newly established, and growing
23 urban microbusiness concerns; and

24 “(ii) in conjunction with those loans,
25 provide grants in accordance with subpara-

1 graph (E) to those qualified organizations
2 for the purpose of providing intensive mar-
3 keting, management, and technical assist-
4 ance to small business concerns that are
5 borrowers under this paragraph.

6 “(D) LOAN DURATION; INTEREST RATES;
7 CONDITIONS.—

8 “(i) LOAN DURATION.—A loan made
9 by the Secretary under this paragraph
10 shall be for a term of 20 years.

11 “(ii) APPLICABLE INTEREST RATES.—
12 A loan made by the Secretary under this
13 paragraph to a qualified organization shall
14 bear an annual interest rate of at least 1
15 percent.

16 “(iii) DEFERRAL OF INTEREST AND
17 PRINCIPAL.—The Secretary may permit
18 the deferral of payments, for principal and
19 interest, on a loan made under this para-
20 graph for a period of not more than 2
21 years, beginning on the date on which the
22 loan was made.

23 “(E) GRANT AMOUNTS.—

24 “(i) IN GENERAL.—Except as other-
25 wise provided in this section, each qualified

1 organization that receives a loan under this
2 paragraph shall be eligible to receive a
3 grant to provide marketing, management,
4 and technical assistance to small business
5 concerns that are borrowers or potential
6 borrowers under this subsection.

7 “(ii) MAXIMUM AMOUNT OF GRANT
8 FOR MICROENTERPRISE DEVELOPMENT
9 ORGANIZATIONS.—Each microenterprise
10 development organization that receives a
11 loan under this paragraph shall receive an
12 annual grant in an amount equal to not
13 more than 25 percent of the total out-
14 standing balance of loans made to the mi-
15 croenterprise development organization
16 under this paragraph, as of the date of
17 provision of the grant.

18 “(iii) MATCHING REQUIREMENT.—

19 “(I) IN GENERAL.—As a condi-
20 tion of any grant made to a qualified
21 organization under this subparagraph,
22 the Secretary shall require the quali-
23 fied organization to match not less
24 than 15 percent of the total amount
25 of the grant.

1 “(II) SOURCES.—In addition to
2 cash from non-Federal sources, a
3 matching share provided by the quali-
4 fied organization may include indirect
5 costs or in-kind contributions funded
6 under non-Federal programs.

7 “(c) ADMINISTRATIVE EXPENSES.—Not more than
8 10 percent of assistance received by a qualified organiza-
9 tion for a fiscal year under this section may be used to
10 pay administrative expenses.

11 “(d) FUNDING.—

12 “(1) IN GENERAL.—Not later than 30 days
13 after the date of enactment of this section, and on
14 October 1, 2013, and each October 1 thereafter
15 through October 1, 2017, out of any funds in the
16 Treasury not otherwise appropriated, the Secretary
17 of the Treasury shall transfer to the Secretary to
18 carry out this section \$50,000,000, to remain avail-
19 able until expended.

20 “(2) ALLOCATION OF FUNDS.—Of the amount
21 made available by paragraph (1) for each fiscal
22 year—

23 “(A) not less than \$30,000,000 shall be
24 available for use in carrying out subsection
25 (b)(3); and

1 “(B) not less than \$20,000,000 shall be
2 available for use in carrying out subsection
3 (b)(4), of which not more than \$7,000,000 shall
4 be used to support direct loans.

5 “(C) RECEIPT AND ACCEPTANCE.—The
6 Secretary shall be entitled to receive, shall ac-
7 cept, and shall use to carry out this section the
8 funds transferred under paragraph (1), without
9 further appropriation.”.

10 **SEC. 310. LOCAL FARM BUSINESS AND MARKET GARDEN**
11 **COMPETITIVE LOAN PROGRAM.**

12 (a) DEFINITIONS.—In this section:

13 (1) AGRICULTURAL COMMODITY.—The term
14 “agricultural commodity” has the meaning given the
15 term in section 102 of the Agricultural Trade Act of
16 1978 (7 U.S.C. 5602).

17 (2) ELIGIBLE LENDING ENTITY.—The term
18 “eligible lending entity” means a government agen-
19 cy, nonprofit organization, or any other entity that
20 the Secretary designates to finance and facilitate the
21 development of a local farm business project or mar-
22 ket garden project.

23 (3) ELIGIBLE PRODUCER.—The term “eligible
24 producer” means an individual or group of individ-

1 uals who carry out a local farm business project or
2 market garden project.

3 (4) FOOD DESERT.—The term “food desert”
4 has the meaning given the term in section 7527(a)
5 of the Food, Conservation, and Energy Act of 2008
6 (Public Law 110–246; 122 Stat. 2039).

7 (5) LOCAL FARM BUSINESS PROJECT.—The
8 term “local farm business project” means a project
9 on a farm or ranch that—

10 (A) is for the production of an agricultural
11 commodity for local markets in the local service
12 area; and

13 (B) is located on 1 or more property lots,
14 the cumulative acreage of which shall be more
15 than 1 acre.

16 (6) LOCAL SERVICE AREA.—The term “local
17 service area” means an area consisting of a certain
18 mile radius (as determined by the Secretary) from
19 the physical location of production by an eligible
20 local farm business or market garden project.

21 (7) MARKET GARDEN PROJECT.—The term
22 “market garden project” means a project that—

23 (A) is for the production of an agricultural
24 commodity for local markets in the local service
25 area; and

1 (B) is located on 1 or more property lots
2 (regardless of the population density of the area
3 in which the property lots are located), the cu-
4 mulative acreage of which shall be more than
5 $\frac{1}{4}$ acre.

6 (8) REVOLVING LOAN FUND.—The term “re-
7 volving loan fund” means a revolving loan fund es-
8 tablished by an eligible lending entity as described in
9 subsection (c).

10 (9) SECRETARY.—The term “Secretary” means
11 the Secretary of Agriculture.

12 (10) SOCIALLY DISADVANTAGED FARMER OR
13 RANCHER.—The term “socially disadvantaged farm-
14 er or rancher” has the meaning given the term in
15 section 355(e) of the Consolidated Farm and Rural
16 Development Act (7 U.S.C. 2003(e)).

17 (11) SPECIALTY CROP.—The term “specialty
18 crop” has the meaning given the term in section 3
19 of the Specialty Crops Competitiveness Act of 2004
20 (7 U.S.C. 1621 note; Public Law 108–465).

21 (12) SUSTAINABLE AGRICULTURE.—The term
22 “sustainable agriculture” has the meaning given the
23 term in section 1404 of the National Agricultural
24 Research, Extension, and Teaching Policy Act of
25 1977 (7 U.S.C. 3103).

1 (b) COMPETITIVE LOAN PROGRAM FOR ELIGIBLE
2 LENDING ENTITIES.—

3 (1) IN GENERAL.—To support new entrepre-
4 neurship and job creation, the Secretary shall estab-
5 lish a local farm business and market garden com-
6 petitive loan program under which the Secretary
7 shall make available to eligible lending entities loans
8 to develop revolving loan funds to assist—

9 (A) eligible producers in establishing local
10 farm business projects or market garden
11 projects that will locally produce fresh foods;
12 and

13 (B) local farm business projects and mar-
14 ket garden projects to create local employment
15 opportunities by—

16 (i) increasing farm and garden income
17 by connecting producers and consumers;

18 (ii) creating more reliable local food
19 systems;

20 (iii) diversifying food production;

21 (iv) increasing consumer access to
22 fresh, local healthful foods produced by
23 local farms, ranches, and market gardens
24 in urban, suburban, or rural areas;

1 (v) supporting nutrition education
2 that incorporates participation of school
3 children in farm- and garden-based agri-
4 cultural education activities; and

5 (vi) preserving farmland.

6 (2) ELIGIBILITY.—To be eligible to receive a
7 loan under the program established under paragraph
8 (1), an eligible lending entity shall submit to the
9 Secretary an application at such time, in such form,
10 and containing such information as the Secretary
11 may require.

12 (3) SELECTION CRITERIA.—

13 (A) APPROVAL.—Not later than 1 year
14 after the date of enactment of this section and
15 in accordance with this paragraph, the Sec-
16 retary shall, on a competitive basis, begin as-
17 sessing and approving such applications re-
18 ceived under paragraph (2) as the Secretary
19 considers appropriate.

20 (B) CRITERIA.—In considering a loan ap-
21 plication received under paragraph (2), the Sec-
22 retary shall—

23 (i) evaluate the extent to which the
24 application demonstrates the ability of the
25 eligible lending entity—

1 (I) to manage, market, and ad-
2 minister a revolving loan fund;

3 (II) to assist local eligible pro-
4 ducers to successfully meet local serv-
5 ice area opportunities;

6 (III) to work with partners to
7 provide technical support to eligible
8 local farm business projects and mar-
9 ket garden projects;

10 (IV) to recruit, educate, and as-
11 sist local producers to advance local
12 farming and ranching opportunities
13 that meet local service area needs;
14 and

15 (V) subject to paragraph (5), to
16 provide matching funds in the form of
17 cash or in-kind services to properly
18 implement and manage the revolving
19 loan fund;

20 (ii) assess—

21 (I) the number and type of local
22 farm business projects and market
23 garden projects to be affected by local
24 farm business project loan funding;

1 (II) the number of new jobs and
2 eligible local farm business projects
3 and market garden projects to be cre-
4 ated by the revolving loan fund;

5 (III) the ability of an eligible
6 local farm business project or market
7 garden project—

8 (aa) to preserve farmland
9 through economically and envi-
10 ronmentally sustainable agri-
11 culture practices (as determined
12 by the Secretary); and

13 (bb) to serve schools and in-
14 stitutions with a high proportion
15 of students who are eligible for
16 free or reduced price lunches
17 under the Richard B. Russell Na-
18 tional School Lunch Act (42
19 U.S.C. 1751 et seq.);

20 (IV) the degree to which an eligi-
21 ble local farm business project or mar-
22 ket garden project—

23 (aa) incorporates experien-
24 tial nutrition education;

1 (bb) demonstrates the poten-
2 tial positive economic impact for
3 the local economy;

4 (cc) demonstrates environ-
5 mentally sustainable agriculture
6 practices; and

7 (dd) demonstrates a collabo-
8 ration between schools or edu-
9 cational institutions, nongovern-
10 mental organizations, producer
11 groups, and other community
12 and business partners; and

13 (V) the market opportunity for
14 eligible local farm business projects or
15 market garden projects to sell prod-
16 ucts in the local community; and

17 (iii) consider any other factors that
18 the Secretary determines to be appropriate.

19 (C) REGIONAL BALANCE.—To the max-
20 imum extent practicable, in awarding loans
21 under this section, the Secretary shall ensure
22 that loan recipients—

23 (i) are geographically diverse;

1 (ii) serve clients targeted by the loan
2 program, including socially disadvantaged
3 farmers or ranchers;

4 (iii) serve clients located in areas with
5 a variety of population densities, including
6 rural, suburban, urban, and tribal areas;
7 and

8 (iv) identify and serve food deserts
9 within the local service area.

10 (D) PRIORITY.—

11 (i) IN GENERAL.—In considering loan
12 applications received under paragraph (2),
13 the Secretary shall give priority to applica-
14 tions that demonstrate the ability and will-
15 ingness of the eligible lending entity—

16 (I) to serve clients targeted by
17 the program, including, as appro-
18 priate, socially disadvantaged farmers
19 or ranchers;

20 (II) to assist with the financial
21 management aspects of specialty crop
22 farming and other types of local agri-
23 cultural projects; and

24 (III) to address the nutritional
25 needs of an underserved area, as de-

1 terminated in accordance with clause
2 (ii).

3 (ii) UNDERSERVED AREAS.—In deter-
4 mining whether an area is an underserved
5 area, the Secretary shall consider—

6 (I) population density;

7 (II) below-average supermarket
8 density or sales;

9 (III) the rate of ownership of
10 motor vehicles; and

11 (IV) geographical or physical
12 barriers, such as highways, moun-
13 tains, major parks, or bodies of water.

14 (4) LOAN TERMS FOR ELIGIBLE LENDING ENTI-
15 TIES.—

16 (A) IN GENERAL.—For each fiscal year for
17 which the Secretary makes a loan to an eligible
18 lending entity under this subsection, the loan
19 shall—

20 (i) be in an amount that is not less
21 than \$200,000 and not more than
22 \$1,000,000; and

23 (ii) be used by the eligible lending en-
24 tity to establish a revolving loan fund to

1 provide loans for local farm business
2 projects or market garden projects.

3 (B) TERM.—The term of a loan under this
4 subsection shall not exceed 20 years from the
5 date on which the loan is finalized.

6 (C) LOAN FINANCING TERMS.—In making
7 loans to eligible lending entities under this sub-
8 section, the Secretary shall—

9 (i) set the rate of interest at not more
10 than 2 percent per year; and

11 (ii) ensure that no payments are due
12 on the loan during the first 2 years of the
13 loan.

14 (5) MATCHING FUNDS.—The Secretary may not
15 require an eligible lending entity that receives a loan
16 under this subsection to provide, from non-Federal
17 sources, in cash or in-kind, the cost of carrying out
18 activities under the loan.

19 (6) ADMINISTRATIVE EXPENSES.—

20 (A) IN GENERAL.—Each eligible lending
21 entity that receives a loan under this subsection
22 shall be eligible additionally to receive a one-
23 time grant for purposes described in subpara-
24 graph (B) in an amount that is not more than
25 the lesser of—

1 (i) 10 percent of the total amount of
2 the loan received by the eligible lending en-
3 tity; or

4 (ii) \$50,000.

5 (B) USE OF GRANT FUNDS.—Grant funds
6 received under subparagraph (A) may be used
7 by the eligible lending entity only to pay man-
8 agement and technical support costs associated
9 with the loan.

10 (C) INTEREST RATE.—If an eligible lend-
11 ing entity receives a grant under subparagraph
12 (A), the eligible lending entity may not set the
13 interest rate of loans made by the eligible lend-
14 ing entity to local farm business projects or
15 market garden projects at more than 3 percent
16 per year.

17 (7) PROGRESS REPORTS.—

18 (A) IN GENERAL.—Not later than 90 days
19 after the last day of each fiscal year, each eligi-
20 ble lending entity that has a loan under this
21 subsection shall submit to the Secretary a re-
22 port that includes—

23 (i) an evaluation of the progress of
24 the revolving loan fund carried out by the
25 eligible lending entity;

1 (ii) a description of the revolving loan
2 fund, including information on all loans
3 made to local farm business projects or
4 market garden projects;

5 (iii) a status update for the local farm
6 business projects and market garden
7 projects funded by the revolving loan fund
8 that describes—

9 (I) the amount of food produced;

10 (II) the amount of revenue gen-
11 erated; and

12 (III) the number of new and re-
13 tained jobs; and

14 (iv) such other information as the
15 Secretary may require.

16 (B) REPORTS BY THE SECRETARY.—Not
17 later than 3 years after the date of enactment
18 of this section, the Secretary shall submit to the
19 Committee on Agriculture of the House of Rep-
20 resentatives and the Committee on Agriculture,
21 Nutrition, and Forestry of the Senate a report
22 that describes the results and findings of the
23 loan program carried out under this subsection.

24 (8) ANNUAL REVIEW.—The Secretary shall con-
25 duct an annual review of the financial records of

1 each eligible lending entity that receives funding
2 under this subsection—

3 (A) to assess the financial soundness of the
4 eligible lending entity; and

5 (B) to determine the effective use of loan
6 and grant funds made available to the eligible
7 lending entity under this subsection.

8 (c) REVOLVING LOAN FUND.—

9 (1) ESTABLISHMENT AND PURPOSE.—Each eli-
10 gible lending entity that receives a loan under sub-
11 section (b) shall use the funds to establish a revolv-
12 ing loan fund to provide loans to eligible producers
13 in the local service area.

14 (2) ELIGIBLE ACTIVITIES.—Loans made by an
15 eligible lending entity under this subsection shall be
16 used by the eligible producer to carry out eligible ac-
17 tivities in the local service area, including—

18 (A) to carry out production projects for
19 value-added food products;

20 (B) to provide working capital for general
21 operational costs of the local farm business
22 project or market garden project;

23 (C) to purchase project-related equipment;

24 (D) to purchase seeds, plants, and fruit or
25 nut trees;

1 (E) to purchase livestock, poultry, and
2 breeding stock;

3 (F) to construct and maintain irrigation
4 systems;

5 (G) to construct buildings (including
6 barns, sheds, greenhouses, and dry and cold
7 storage sheds) necessary to support production;

8 (H) to lease, lease to purchase, or directly
9 purchase farmland or make a down payment on
10 an accepted purchase offer for farmland; or

11 (I) to carry out any other activity that the
12 Secretary determines to be in accordance with
13 this section.

14 (3) LOAN CONDITIONS.—

15 (A) IN GENERAL.—To be eligible to receive
16 a loan under this section from an eligible lend-
17 ing entity, an eligible producer shall—

18 (i) supply a minimum level of support
19 of the cost of the local farm business
20 project, market garden project, or institu-
21 tion costs, as determined by the Secretary;
22 and

23 (ii) submit to the eligible lending enti-
24 ty—

1 (I) documentation of, as appro-
2 priate—

3 (aa) a long-term land lease
4 contract granting the right to
5 perform local production agri-
6 culture;

7 (bb) a building lease; or

8 (cc) a deed of property own-
9 ership; and

10 (II) a conservation plan and a
11 sound business plan that is likely to
12 result in a profitable business with
13 sustainable employment for the eligi-
14 ble producer and any employees.

15 (B) SECRETARIAL APPROVAL; GUAR-
16 ANTEE.—

17 (i) APPROVAL.—Before an eligible
18 lending entity may make a loan or package
19 of loans to an eligible producer under this
20 section, the Secretary shall approve the
21 loan or package of loans in accordance
22 with the requirements of this section.

23 (ii) LOAN GUARANTEE.—The Sec-
24 retary shall guarantee not more than 85

1 percent of the principal and interest on
2 each loan approved under clause (i).

3 (4) PRIORITY.—In making loans under this
4 subsection, the eligible lending entity shall give pri-
5 ority to eligible producers that are operated by, or
6 that support—

7 (A) qualified beginning farmers or ranch-
8 ers (as defined in section 343(a) of the Consoli-
9 dated Farm and Rural Development Act (7
10 U.S.C. 1991(a))) and socially disadvantaged
11 farmers or ranchers;

12 (B) existing eligible producers, whether
13 owners or tenants, who use loan funds to con-
14 vert to agricultural production systems ap-
15 proved by the Secretary;

16 (C) eligible producers who use loan funds
17 to build conservation structures or carry out
18 conservation practices;

19 (D) eligible producers who will supply
20 fresh and locally produced food to underserved
21 communities; and

22 (E) existing eligible producers of agri-
23 culture commodities who want to diversify farm,
24 ranch, or market garden production and in-
25 come.

1 (5) LOAN TERMS FOR ELIGIBLE PRODUCERS.—

2 (A) IN GENERAL.—A loan made by an eli-
3 gible lending entity to an eligible producer
4 under this subsection shall be in an amount
5 that is—

6 (i) in the case of a local farm business
7 project, not less than \$5,000 and not more
8 than \$100,000; and

9 (ii) in the case of a market garden
10 project, not less than \$3,000 and not more
11 than \$50,000.

12 (B) TERM.—The term of a loan under this
13 subsection shall not exceed—

14 (i) in the case of a loan in an amount
15 that is not more than \$35,000, 12 years
16 from the date on which the loan is final-
17 ized; and

18 (ii) in the case of all other loans, 20
19 years from the date on which the loan is
20 finalized.

21 (C) LOAN FINANCING TERMS.—In making
22 loans under this subsection, an eligible lending
23 entity shall—

24 (i) set the rate of interest at not more
25 than 3 percent per year;

1 (ii) ensure that no payments are due
2 on the loan during the first 9 months of
3 the loan; and

4 (iii) ensure that only interest is due
5 on the loan during the period beginning on
6 the last day of the period described in
7 clause (ii) and ending 24 months after the
8 issuance of the loan.

9 (D) LOAN FORGIVENESS.—If an eligible
10 producer has received a loan under this section
11 to carry out a local farm business project or
12 market garden project, and after 3 years the
13 Secretary determines that the project is suc-
14 cessful, the Secretary may offer to forgive—

15 (i) up to 10 percent of the out-
16 standing amount of the loan; and

17 (ii) in the case of an eligible producer
18 supporting sustainable agriculture prac-
19 tices, up to 20 percent of the outstanding
20 amount of the loan.

21 (d) AUTHORIZATION OF APPROPRIATIONS.—There
22 are authorized to be appropriated to the Secretary for
23 each of fiscal years 2014 through 2022—

24 (1) \$20,000,000 to provide loans and grants
25 under subsection (b); and

1 (2) \$100,000 for the administrative costs of
2 carrying out this section.

3 **TITLE IV—ERADICATING**
4 **HUNGER**

5 **SEC. 401. WEEKENDS AND HOLIDAYS WITHOUT HUNGER.**

6 Section 18 of the Richard B. Russell National School
7 Lunch Act (42 U.S.C. 1769) is amended by adding at the
8 end the following:

9 “(1) WEEKENDS AND HOLIDAYS WITHOUT HUN-
10 GER.—

11 “(1) DEFINITIONS.—In this subsection:

12 “(A) AT-RISK SCHOOL CHILD.—The term
13 ‘at-risk school child’ has the meaning given the
14 term in section 17(r)(1).

15 “(B) ELIGIBLE INSTITUTION.—

16 “(i) IN GENERAL.—The term ‘eligible
17 institution’ means a public or private non-
18 profit institution that is determined by the
19 Secretary to be able to meet safe food stor-
20 age, handling, and delivery standards es-
21 tablished by the Secretary.

22 “(ii) INCLUSIONS.—The term ‘eligible
23 institution’ includes—

24 “(I) an elementary or secondary
25 school or school food service authority;

1 “(II) a food bank or food pantry;
2 “(III) a homeless shelter; and
3 “(IV) such other type of emer-
4 gency feeding agency as is approved
5 by the Secretary.

6 “(2) ESTABLISHMENT.—Subject to the avail-
7 ability of appropriations provided in advance in an
8 appropriations Act specifically for the purpose of
9 carrying out this subsection, the Secretary shall es-
10 tablish a program under which the Secretary shall
11 provide commodities, on a competitive basis, to eligi-
12 ble institutions to provide nutritious food to at-risk
13 children on weekends and during extended school
14 holidays during the school year.

15 “(3) ELIGIBILITY.—

16 “(A) IN GENERAL.—To be eligible to re-
17 ceive commodities under this subsection, an eli-
18 gible institution shall submit an application to
19 the Secretary at such time, in such manner,
20 and containing such information as the Sec-
21 retary may determine.

22 “(B) PLAN.—An application under sub-
23 paragraph (A) shall include the plan of the eli-
24 gible institution for the distribution of nutri-

1 tious foods to at-risk school children, includ-
2 ing—

3 “(i) methods of food service delivery
4 to at-risk school children;

5 “(ii) assurances that children receiv-
6 ing foods under the project will not be pub-
7 licly separated or overtly identified;

8 “(iii) lists of the types of food to be
9 provided under the project and provisions
10 to ensure food quality and safety;

11 “(iv) information on the number of
12 at-risk school children to be served and the
13 per-child cost of providing the children
14 with food; and

15 “(v) such other information as the
16 Secretary determines to be necessary to as-
17 sist the Secretary in evaluating projects
18 that receive commodities under this sub-
19 section.

20 “(4) PRIORITY.—In selecting applications under
21 this subsection, the Secretary shall give priority to
22 eligible institutions that—

23 “(A) have on-going programs and experi-
24 ence serving populations with significant pro-
25 portions of at-risk school children;

1 “(B) have a good record of experience in
2 food delivery and food safety systems;

3 “(C) maintain high quality control, ac-
4 countability, and recordkeeping standards;

5 “(D) provide children with readily
6 consumable food of high nutrient content and
7 quality;

8 “(E) demonstrate cost efficiencies and the
9 potential for obtaining supplemental funding
10 from non-Federal sources to carry out projects;
11 and

12 “(F) demonstrate the ability to continue
13 projects for the full approved term of the pilot
14 project period.

15 “(5) GUIDELINES.—

16 “(A) IN GENERAL.—The Secretary shall
17 issue guidelines containing the criteria for
18 projects to receive commodities under this sec-
19 tion.

20 “(B) INCLUSIONS.—The guidelines shall,
21 to the maximum extent practicable within the
22 funds available and applications submitted, take
23 into account—

24 “(i) geographical variations in project
25 locations to include qualifying projects in

1 rural, urban, and suburban areas with high
2 proportions of families with at-risk school
3 children;

4 “(ii) different types of projects that
5 offer nutritious foods on weekends and
6 during school holidays to at-risk school
7 children; and

8 “(iii) institutional capacity to collect,
9 maintain, and provide statistically valid in-
10 formation necessary for the Secretary—

11 “(I) to analyze and evaluate the
12 results of the pilot project; and

13 “(II) to make recommendations
14 to Congress.

15 “(6) EVALUATION.—

16 “(A) INTERIM EVALUATION.—Not later
17 than November 30, 2016, the Secretary shall
18 complete an interim evaluation of the pilot pro-
19 gram carried out under this subsection.

20 “(B) FINAL REPORT.—Not later than De-
21 cember 31, 2017, the Secretary shall submit to
22 Congress a final report that contains—

23 “(i) an evaluation of the pilot pro-
24 gram carried out under this subsection;
25 and

1 “(ii) any recommendations of the Sec-
2 retary for legislative action.

3 “(7) FUNDING.—

4 “(A) AUTHORIZATION OF APPROPRIA-
5 TIONS.—There is authorized to be appropriated
6 to carry out this section such sums as are nec-
7 essary, to remain available until expended.

8 “(B) AVAILABILITY OF FUNDS.—Not more
9 than 3 percent of the funds made available
10 under subparagraph (A) may be used by the
11 Secretary for expenses associated with review of
12 the operations and evaluation of the projects
13 carried out under this subsection.”.

14 **SEC. 402. EXPANSION AND MODERNIZATION OF THE COM-**
15 **MODITY SUPPLEMENTAL FOOD PROGRAM.**

16 Section 5 of the Agriculture and Consumer Protec-
17 tion Act of 1973 (7 U.S.C. 612c note) is amended—

18 (1) in subsection (a)—

19 (A) in paragraph (1) by striking “2008
20 through 2012” and inserting “2014 through
21 2018”, and

22 (B) in paragraph (2)(B) by striking “2004
23 through 2012” and inserting “2014 through
24 2018”, and

1 (2) in subsection (g) by striking paragraph (2)
2 and inserting the following:

3 “(2) women, infants and children participating
4 in the program as of the effective date of this para-
5 graph.

6 The Secretary may not require the enrollment in the pro-
7 gram of women, infants, and children who are not partici-
8 pating in the program before the effective date of this sen-
9 tence.”.

10 **SEC. 403. EXPANSION AND MODERNIZATION OF THE EMER-**
11 **GENCY FOOD ASSISTANCE PROGRAM.**

12 (a) AMENDMENTS TO THE FOOD AND NUTRITION
13 ACT OF 2008.—Section 27(a)(2) of the Food and Nutri-
14 tion Act of 2008 (7 U.S.C. 2036(a)(2)) is amended—

15 (1) by striking subparagraphs (A) and (B) and
16 inserting the following:

17 “(A) for fiscal years 2014 through 2018,
18 \$350,000,000; plus \$100,000,000 for each per-
19 centage point that unemployment exceeds the
20 rate as of June 2008 (prorated such that each
21 change of 0.1 percent shall result in a change
22 in funding of \$10,000,000). The unemployment
23 rate from June of the immediately preceding
24 fiscal year shall be used to compute change
25 from June 2008. In any fiscal year, the amount

1 calculated in this subparagraph shall not be less
2 than \$350,000,000.”,

3 (2) in subparagraph (C)—

4 (A) by striking “(C)” and inserting “(B)”,

5 (B) by striking “2010 through 2012” and
6 inserting “2014 through 2018”,

7 (C) by striking “subparagraph (B)” and
8 inserting “ subparagraph (A)”, and

9 (D) by striking the period at the end and
10 inserting “; and”, and

11 (3) by adding at the end the following:

12 “(C) of the total funds made available
13 under subparagraphs (A) and (B), not less than
14 \$100,000,000 shall be to support State and
15 local storage and distribution costs. In addition,
16 each year States may transfer up to 5 percent
17 of total funds provided for commodity pur-
18 chases into accounts used to fund storage and
19 distribution costs at their discretion”.

20 (b) AMENDMENTS TO THE EMERGENCY FOOD AS-
21 SISTANCE ACT OF 1983.—The Emergency Food Assist-
22 ance Act of 1983 (7 U.S.C. 7501 et seq.) is amended—

23 (1) in section 202 by adding at the end the fol-
24 lowing:

1 “(h) In addition to other considerations, including
2 but not limited to the need to intervene in depressed do-
3 mestic agricultural markets, the Secretary shall consider
4 the needs of States and demands on emergency food pro-
5 viders in making commodity purchase decisions.”, and

6 (2) in section 204 by striking “2008” and in-
7 serting “2014”.

8 (c) **AUTHORITY TO USE SECTION 32 FUNDS TO RE-**
9 **SPOND TO SITUATIONS OF HIGH RATES OF FOOD INSE-**
10 **CURITY OR UNEMPLOYMENT.**—The second sentence of
11 section 32 of the Act of August 24, 1935 (7 U.S.C. 612c)
12 is amended in paragraph (2) by inserting after “low-in-
13 come groups” the following: “or in situations of high rates
14 of food insecurity or unemployment,”.

15 **SEC. 404. FOOD BANK EQUIPMENT AND TECHNOLOGY PRO-**
16 **GRAM.**

17 (a) **AUTHORITY FOR PROGRAM.**—The Secretary of
18 Agriculture shall develop and carry out a food bank equip-
19 ment and technology program to make grants to eligible
20 entities to be used within a 1-year period for the purchase
21 of operating equipment and technology that increases the
22 efficiency of a food bank. Eligible entities include non-
23 profit entities that operate food banks in urban areas.

24 (b) **AUTHORIZATION OF APPROPRIATIONS.**—There is
25 authorized to be appropriated to carry out this section

1 \$10,000,000 for each of the fiscal years in the 3-year pe-
2 riod beginning on the October 1 of the 1st fiscal year that
3 begins after the date of the enactment of this Act.

4 **TITLE V—GO GREEN**

5 **SEC. 501. GREEN AND SUSTAINABLE SCHOOLS, MUSEUMS,** 6 **AND LIBRARIES GRANT PROGRAM.**

7 (a) GRANT PROGRAM.—The Secretary of Agriculture,
8 in consultation with the Secretary of Energy, shall estab-
9 lish a program to provide competitive grants to schools,
10 museums, and libraries to increase energy efficiency.

11 (b) CRITERIA.—In awarding grants under subsection
12 (a), the Secretary of Agriculture shall target schools, mu-
13 seums, and libraries that are the most inefficient in the
14 usage of energy and whose insulation, lighting, and equip-
15 ment would benefit most by being upgraded to insulation,
16 lighting, and equipment that is more energy efficient.

17 (c) USE OF FUNDS.—A school, museum, or library
18 receiving a grant under subsection (a) shall use the funds
19 received under such grant—

20 (1) to increase energy efficiency through new
21 construction, rehabilitation, expansion, and up-
22 grades; and

23 (2) for organized programs, events, and initia-
24 tives to educate employees of schools, museums, or
25 libraries on how to become more energy efficient.

1 (d) DEFINITIONS.—In this section:

2 (1) MUSEUM.—The term “museum” means a
3 museum accredited by the American Association of
4 Museums.

5 (2) SCHOOL.—The term “school” means an ele-
6 mentary school or a secondary school, as those terms
7 are defined in section 9101 of the Elementary and
8 Secondary Education Act of 1965 (20 U.S.C. 7801).

○