



February 17, 2015

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## SENATE BILL No. 322

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DIGEST OF SB 322 (Updated February 13, 2015 10:16 am - DI 55)

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

**Synopsis:** Food desert grant program. Establishes the food desert grant program (program) within the state department of health (ISDH) to assist new and existing retail businesses in offering fresh and unprocessed foods within a "food desert" (an underserved geographic area where affordable fresh and healthy foods are difficult to obtain, as determined by the ISDH). Provides that a grant awarded under the program may be used to construct a new retail grocery store or to renovate, expand, or upgrade an existing retail business that increases the availability and quality of fresh produce and other healthy foods. Requires the ISDH to consider certain criteria when determining whether to award a grant and requires the recipient of a grant to abide by certain terms and conditions. Establishes the food deserts fund for purposes of awarding grants under the program. Appropriates \$15,000,000 from the state general fund to the food deserts fund for purposes of the program. Requires the ISDH to report on the program annually to the general assembly.

**Effective:** July 1, 2015.

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### Head, Breaux, Broden, Randolph

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January 8, 2015, read first time and referred to Committee on Commerce & Technology.  
February 16, 2015, amended, reported favorably — Do Pass; reassigned to Committee on Appropriations.

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SB 322—LS 6939/DI 77





February 17, 2015

First Regular Session 119th General Assembly (2015)

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

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

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

## SENATE BILL No. 322

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

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

- 1 SECTION 1. IC 16-18-2-136.5 IS ADDED TO THE INDIANA  
2 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
3 [EFFECTIVE JULY 1, 2015]: **Sec. 136.5. "Food desert", for**  
4 **purposes of IC 16-42-12.5, has the meaning set forth in**  
5 **IC 16-42-12.5-2.**
- 6 SECTION 2. IC 16-18-2-143, AS AMENDED BY P.L.1-2010,  
7 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
8 JULY 1, 2015]: Sec. 143. (a) "Fund", for purposes of IC 16-26-2, has  
9 the meaning set forth in IC 16-26-2-2.
- 10 (b) "Fund", for purposes of IC 16-31-8.5, has the meaning set forth  
11 in IC 16-31-8.5-2.
- 12 (c) "Fund", for purposes of IC 16-41-39.4, refers to the childhood  
13 lead poisoning prevention fund established by IC 16-41-39.4-3.1.
- 14 (d) "Fund", for purposes of IC 16-41-39.8, refers to the lead trust  
15 fund established by IC 16-41-39.8-7.
- 16 (e) **"Fund", for purposes of IC 16-42-12.5, has the meaning set**

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1 **forth in IC 16-42-12.5-3.**

2 ~~(e)~~ **(f)** "Fund", for purposes of IC 16-46-5, has the meaning set forth  
3 in IC 16-46-5-3.

4 ~~(f)~~ **(g)** "Fund", for purposes of IC 16-46-12, has the meaning set  
5 forth in IC 16-46-12-1.

6 ~~(g)~~ **(h)** "Fund", for purposes of IC 16-41-42.2, has the meaning set  
7 forth in IC 16-41-42.2-2.

8 ~~(h)~~ **(i)** "Fund", for purposes of IC 16-35-8, has the meaning set forth  
9 in IC 16-35-8-2.

10 SECTION 3. IC 16-42-12.5 IS ADDED TO THE INDIANA CODE  
11 AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE  
12 JULY 1, 2015]:

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

14 **Sec. 1. As used in this chapter, "food desert" means an**  
15 **underserved geographic area where affordable fresh and healthy**  
16 **foods are difficult to obtain, as determined by the state**  
17 **department.**

18 **Sec. 2. As used in this chapter, "fund" means the food deserts**  
19 **fund established by section 5 of this chapter.**

20 **Sec. 3. (a) The food desert grant program is established within**  
21 **the state department to assist:**

22 **(1) new retail businesses; and**

23 **(2) existing retail businesses;**

24 **to offer fresh and unprocessed foods within a food desert. The**  
25 **grants may be used to construct new retail grocery stores or**  
26 **renovate, expand, or upgrade an existing retail business that**  
27 **increases the availability and quality of fresh produce and other**  
28 **healthy foods.**

29 **(b) The state department shall establish criteria for awarding**  
30 **grants under this chapter. The state department shall consider the**  
31 **following criteria when determining whether to award a grant:**

32 **(1) The level of need in the area to be served.**

33 **(2) The degree to which the project requires a grant to**  
34 **proceed, create an impact, or be competitive in the area to be**  
35 **served.**

36 **(3) The degree to which the project will have a positive impact**  
37 **on the underserved community, including creating or**  
38 **retaining jobs for local residents.**

39 **(4) The degree to which the project will participate in state**  
40 **and local health department initiatives to educate consumers**  
41 **on nutrition and promote healthier eating.**

42 **(5) Other criteria consistent with this chapter that are**



1           determined by the state department.

2           (c) A recipient of a grant must abide by the terms and  
3 conditions established by the state department, including the  
4 following:

5           (1) Allowing the state department to conduct an annual audit  
6 to ensure compliance.

7           (2) Agreeing to repay the grant amount to the state  
8 department if the recipient is not compliant with the terms  
9 and conditions.

10          (3) Complying with data collection and reporting  
11 requirements established by the state department.

12          Sec. 4. The state department may work with public agencies,  
13 nonprofit organizations, and community organizations to  
14 implement this chapter.

15          Sec. 5. The state department may consider awarding a grant to  
16 support a project under this chapter that will leverage private  
17 sector dollars, federal resources, or local resources.

18          Sec. 6. (a) The food deserts fund is established for the purpose  
19 of awarding grants for the food desert grant program established  
20 by section 3 of this chapter.

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

22           (c) The expenses of administering the fund shall be paid from  
23 money in the fund.

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

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

30           (f) Money in the fund is continuously appropriated for the  
31 purposes of this chapter.

32          Sec. 7. The state department shall submit an annual report of  
33 the activities of the food desert grant program to the general  
34 assembly in an electronic format under IC 5-14-6.

35          SECTION 4. [EFFECTIVE JULY 1, 2015] (a) There is  
36 appropriated from the state general fund to the food deserts fund  
37 established by IC 16-42-12.5-5, as added by this act, fifteen million  
38 dollars (\$15,000,000) for use by the state department of health for  
39 the purposes of the food deserts fund for the state fiscal year  
40 beginning July 1, 2015, and ending June 30, 2016.

41           (b) This SECTION expires December 31, 2016.



## COMMITTEE REPORT

Madam President: The Senate Committee on Commerce and Technology, to which was referred Senate Bill No. 322, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 16.

Page 2, delete line 1.

Page 2, delete lines 31 through 33.

Page 2, line 34, delete "2." and insert "1."

Page 2, line 34, delete "area" and insert "**underserved geographic area where affordable fresh and healthy foods are difficult to obtain, as determined by the state department.**".

Page 2, delete lines 35 through 37.

Page 2, line 38, delete "3." and insert "2."

Page 2, line 40, delete "4." and insert "3."

Page 2, line 41, delete "division" and insert "**state department**".

Page 2, line 42, after "new" insert "**retail**".

Page 3, line 1, after "existing" insert "**retail**".

Page 3, line 2, after "desert." insert "**The grants may be used to construct new retail grocery stores or renovate, expand, or upgrade an existing retail business that increases the availability and quality of fresh produce and other healthy foods.**".

Page 3, line 3, delete "division" and insert "**state department**".

Page 3, line 4, after "chapter." insert "**The state department shall consider the following criteria when determining whether to award a grant:**

- (1) **The level of need in the area to be served.**
- (2) **The degree to which the project requires a grant to proceed, create an impact, or be competitive in the area to be served.**
- (3) **The degree to which the project will have a positive impact on the underserved community, including creating or retaining jobs for local residents.**
- (4) **The degree to which the project will participate in state and local health department initiatives to educate consumers on nutrition and promote healthier eating.**
- (5) **Other criteria consistent with this chapter that are determined by the state department.**

(c)".

Page 3, line 5, delete "division," and insert "**state department,**".



Page 3, line 5, delete "allowing" and insert **"the following:**

**(1) Allowing".**

Page 3, line 6, delete "division" and insert **"state department".**

Page 3, line 6, delete "and" and insert ".".

Page 3, line 7, delete "agreeing", begin a new line block indented and insert:

**"(2) Agreeing".**

Page 3, line 7, delete "division" and insert **"state department".**

Page 3, between lines 8 and 9, begin a new line block indented and insert:

**"(3) Complying with data collection and reporting requirements established by the state department.**

**Sec. 4. The state department may work with public agencies, nonprofit organizations, and community organizations to implement this chapter.**

**Sec. 5. The state department may consider awarding a grant to support a project under this chapter that will leverage private sector dollars, federal resources, or local resources."**

Page 3, line 9, delete "5." and insert **"6."**

Page 3, line 11, delete "4" and insert **"3"**.

Page 3, line 23, delete "6." and insert **"7."**

Page 3, line 23, delete "division" and insert **"state department"**.

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass and be reassigned to the Senate Committee on Appropriations.

(Reference is to SB 322 as introduced.)

BUCK, Chairperson

Committee Vote: Yeas 7, Nays 3.

