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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

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## DIGEST

Proposed law establishes the "Healthy Food Retail Act".

Proposed law provides that to the extent funds are available, the Louisiana Department of Agriculture and Forestry, in cooperation with public and private sector partners, shall establish a financing program that provides grants and loans to healthy food retailers that increase access to fresh fruits and vegetables and other affordable healthy food in underserved communities.

Proposed law allows the department to contract with one or more qualified nonprofit organizations or community development financial institutions to administer the program through a public-private partnership, to raise matching funds, market the program statewide, evaluate applicants, make award decisions, underwrite loans, and monitor compliance and impact.

Proposed law requires the department and its partners to coordinate with complementary nutrition assistance and education programs.

Proposed law provides that the program shall provide funding on a competitive, one-time basis for eligible projects, such as:

1. New construction of supermarkets and grocery stores.
2. Store renovations, expansion, and infrastructure upgrades that improve the availability and quality of fresh produce.
3. Farmers' markets and public markets, food cooperatives, mobile markets and delivery projects, and distribution projects that enable food retailers in underserved communities to regularly obtain fresh produce.
4. Other projects that create or improve healthy food retail outlets that meet the intent of proposed law as determined by the department.

Proposed law provides that funding made available for such projects may be used for the following purposes:

1. Site acquisition and preparation.
2. Construction costs.
3. Equipment and furnishings.

4. Workforce training.
5. Security.
6. Certain pre-development costs such as market studies and appraisals.
7. Working capital for first-time inventory and start-up costs.
8. Other purposes that meet the intent of proposed law as determined by the department.

Proposed law provides that a restaurant is not eligible funding.

Proposed law provides that an applicant for funding may be a for-profit or a not-for-profit entity.

Proposed law requires the applicant to meet the following criteria:

1. The project for which the applicant seeks funding benefits an underserved community.
2. The applicant demonstrates a meaningful commitment to sell fresh fruits and vegetables, according to a measurable standard established by the department.
3. Generally, the applicant accepts Food Stamps (Supplemental Nutrition Assistance Program) and WIC (Special Supplemental Nutrition Program for Women, Infants and Children) benefits. If the applicant is not eligible to accept Food Stamps or WIC benefits, an alternative standard must be established by the department to demonstrate a meaningful commitment to make healthy food affordable to low-income households.

Proposed law requires that applicants be evaluated on the following criteria in order to determine the funding awarded:

1. Demonstrate capacity to successfully implement the project, including the applicant's relevant experience, and the likelihood that the project will be economically self-sustaining.
2. The ability of the applicant to repay debt.
3. The degree to which the project requires an investment of public funding to move forward, create impact, or be competitive, and the level of need in the area to be served. Additional factors that will improve or preserve retail access for low-income residents, such as proximity to public transit lines, also may be taken into account.
4. The degree to which the project will promote sales of fresh produce, particularly Louisiana- grown fruits and vegetables.
5. The degree to which the project will have a positive economic impact on the underserved

community, including by creating or retaining jobs for local residents.

6. Other criteria the department determines to be consistent with the purposes of proposed law.

Proposed law requires the department to establish program benchmarks and reporting processes to make certain that the program benefits both rural and urban communities in Louisiana.

Proposed law requires the department to establish monitoring and accountability mechanisms for projects receiving grants and/or loans, such as tracking fruit and vegetable sales data.

Proposed law requires the department to prepare and submit an annual report to the legislature on any projects funded and outcome data.

Proposed law requires the department to establish rules for the implementation of proposed law in accordance with the APA.

Proposed law provides that funds may be used to leverage other funding including but not limited to New Markets Tax Credits, federal and foundation grant programs, incentives available to designated Enterprise Zones or Renewal Communities, operator equity, and funding from private sector financial institutions under the federal Community Reinvestment Act.

Effective August 15, 2009.

(Adds R.S. 3:296)