

STATE OF LOUISIANA
CHAPTER 3-D. HEALTHY FOOD RETAIL ACT

§296. Healthy Food Retail Act; definitions; purpose

A. This Chapter shall be known as the "Healthy Food Retail Act".

B. The legislature finds the following:

(1) When fresh fruits and vegetables and other healthy foods are not easily available or affordable, people, particularly low-income families, children, and the elderly, face serious barriers to eating a healthy diet. Research in Louisiana and nationally shows that residents of low-income, minority, and rural communities are most often affected by poor access to supermarkets and other retailers selling healthy food, as well as by high rates of obesity.

(2) Obesity, which results from poor diet and physical inactivity, is the fastest growing cause of disease and death in America. Louisiana has one of the highest rates of obesity nationwide, putting growing numbers of Louisiana adults and children at risk for developing heart disease, type-2 diabetes, hypertension, certain cancers, and other health problems.

(3) Increasing access to retail food outlets that sell fresh fruits, vegetables, and other healthy food is an important strategy for fighting the obesity epidemic and improving health. Studies have shown that people with better access to supermarkets and fresh produce tend to have healthier diets and lower levels of obesity.

(4) Developing quality retail food outlets also creates jobs, expands markets for Louisiana farmers, and supports economic vitality in underserved communities.

(5) The program established pursuant to this Chapter is intended to provide a dedicated source of financing for healthy food retailers operating in underserved communities in Louisiana, in both urban and rural areas; to increase access to affordable healthy food so as to improve diets and health; to promote the sale and consumption of fresh fruits and vegetables, particularly those that are Louisiana grown; and to support expanded economic opportunities in low-income and rural communities.

C. As used in this Chapter, the following terms and phrases shall have the meanings hereinafter ascribed to them:

(1) "Funding" means grants, loans, or a combination of grants and loans.

(2) "Healthy food retailers" means for-profit or not-for-profit retailers that sell high quality fresh fruits and vegetables at competitive prices including but not limited to supermarkets, grocery stores, and farmers' markets.

(3) "Program" means a public-private partnership established to provide a dedicated source of financing for food retailers that increase access to fresh fruits and vegetables and other affordable healthy food for Louisiana residents managed by the Louisiana Department of Agriculture and Forestry.

(4) "Underserved community" means a geographic area that has limited access to healthy food retailers and is located in a lower-income or high-poverty area, or an area that is otherwise determined to have serious healthy food access limitations.

D. (1) 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.

(2) The department may contract with one or more qualified nonprofit organizations or community development financial institutions to administer the program described in this Section 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. The department and its partners shall coordinate with complementary nutrition assistance and education programs.

(3) The program shall provide funding on a competitive, one-time basis as appropriate for the eligible project.

(4)(a) The program may provide funding for projects such as:

(i) New construction of supermarkets and grocery stores.

(ii) Store renovations, expansion, and infrastructure upgrades that improve the availability and quality of fresh produce.

(iii) 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.

(iv) Other projects that create or improve healthy food retail outlets that meet the intent of this Chapter as determined by the department.

(b) Funding made available for projects included in Subparagraph (a) of this Paragraph may be used for the following purposes:

(i) Site acquisition and preparation.

(ii) Construction costs.

(iii) Equipment and furnishings.

(iv) Workforce training.

(v) Security.

(vi) Certain pre-development costs such as market studies and appraisals.

(vii) Working capital for first-time inventory and start-up costs.

(c) A restaurant is not eligible for funding under this Chapter.

(5) An applicant for funding may be a for-profit or a not-for-profit entity, including but not limited to a sole proprietorship, partnership, limited liability company, corporation, cooperative, nonprofit organization, nonprofit community development entity, university, or governmental entity.

(6) In order to be considered for funding, an applicant shall meet the following criteria:

(a) The project for which the applicant seeks funding shall benefit an underserved community.

(b) The applicant shall demonstrate a meaningful commitment to sell fresh fruits and vegetables, according to a measurable standard established by the department.

(c) Generally, the applicant shall accept Food Stamps (Supplemental Nutrition Assistance Program) and WIC (Special Supplemental Nutrition Program for Women, Infants and Children) benefits. For categories of applicants that are not eligible to accept Food Stamps or WIC benefits, an alternative standard shall be established by the department to demonstrate a meaningful commitment to make healthy food affordable to low-income households.

(7) Applicants shall be evaluated on the following criteria in order to determine the funding awarded:

(a) Demonstrated capacity to successfully implement the project, including the applicant's relevant experience, and the likelihood that the project will be economically self-sustaining.

(b) The ability of the applicant to repay debt.

(c) 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.

(d) The degree to which the project will promote sales of fresh produce, particularly Louisiana-grown fruits and vegetables.

(e) 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.

(f) Other criteria the department determines to be consistent with the purposes of this Section.

(8) The department shall establish program benchmarks and reporting processes to make certain that the program benefits both rural and urban communities in Louisiana. The department shall likewise establish monitoring and accountability mechanisms for projects receiving grants or loans, such as tracking fruit and vegetable sales data.

(9) The department shall prepare and submit an annual report to the legislature on any projects funded and outcome data.

(10) The department shall establish rules for the implementation of the Chapter in accordance with the Administrative Procedure Act.

E. Funds described in this Chapter, to the extent practicable, 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.

Acts 2009, No. 252, §1.