

SENATE BILL No. 277

DIGEST OF INTRODUCED BILL

Citations Affected: IC 16-18-2; IC 16-42-12.5.

Synopsis: Healthy food initiative pilot program. Establishes the healthy food initiative pilot program (pilot program) to be administered by the state department of health's division of nutrition and physical activity (division) to assist new businesses, existing businesses, and other legal entities to offer fresh or unprocessed foods within an underserved geographic area. Defines "underserved geographic area". Requires the division to establish: (1) criteria for awarding grants and making loans under the program; and (2) terms and conditions for recipients of the grants and loans. Provides that the recipient of a grant or loan: (1) may use the proceeds only to acquire, repair, or renovate property or equipment to be used in offering fresh or unprocessed foods within an underserved geographic area; and (2) may not use the proceeds to acquire food to be sold. Establishes the healthy food initiative fund for purposes of awarding grants and loans under the pilot program. Requires the division to establish criteria for the evaluation of the health impact of the pilot program and to evaluate the grants and loans awarded under the pilot program according to the criteria. Requires the division, at the direction of the health commissioner, to submit an annual report to the general assembly documenting the effectiveness of the pilot program. Specifies that the law establishing the program expires July 1, 2021. Makes an appropriation.

Effective: July 1, 2017.

Head

January 9, 2017, read first time and referred to Committee on Commerce and Technology.



First Regular Session 120th General Assembly (2017)

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 2016 Regular Session of the General Assembly.

SENATE BILL No. 277

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

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

- 1 SECTION 1. IC 16-18-2-97, AS AMENDED BY P.L.161-2014,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]: Sec. 97. "Division" means the following:
4 (1) For purposes of IC 16-21-8, the meaning set forth in
5 IC 16-21-8-0.2.
6 (2) For purposes of IC 16-22-8, the meaning set forth in
7 IC 16-22-8-3.
8 (3) For purposes of IC 16-27, a group of individuals under the
9 supervision of the director within the state department assigned
10 the responsibility of implementing IC 16-27.
11 (4) For purposes of IC 16-28, a group of individuals under the
12 supervision of the director within the state department assigned
13 the responsibility of implementing IC 16-28.
14 (5) For purposes of IC 16-41-40, the division of family resources
15 established by IC 12-13-1-1.
16 **(6) For purposes of IC 16-42-12.5, the meaning set forth in**
17 **IC 16-42-12.5-1.**



1 SECTION 2. IC 16-18-2-143, AS AMENDED BY P.L.1-2010,
2 SECTION 69, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2017]: Sec. 143. (a) "Fund", for purposes of IC 16-26-2, has
4 the meaning set forth in IC 16-26-2-2.

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

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

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

11 **(e) "Fund", for purposes of IC 16-42-12.5, has the meaning set
12 forth in IC 16-42-12.5-2.**

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

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

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

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

21 SECTION 3. IC 16-18-2-357.5 IS ADDED TO THE INDIANA
22 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
23 [EFFECTIVE JULY 1, 2017]: **Sec. 357.5. "Underserved geographic
24 area", for purposes of IC 16-42-12.5, has the meaning set forth in
25 IC 16-42-12.5-4.**

26 SECTION 4. IC 16-42-12.5 IS ADDED TO THE INDIANA CODE
27 AS A **NEW** CHAPTER TO READ AS FOLLOWS [EFFECTIVE
28 JULY 1, 2017]:

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

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

33 **Sec. 2. As used in this chapter, "fund" means the healthy food
34 initiative fund established by section 6 of this chapter.**

35 **Sec. 3. As used in this chapter, "pilot program" refers to the
36 healthy food initiative pilot program established by section 5 of this
37 chapter.**

38 **Sec. 4. (a) As used in this chapter, "underserved geographic
39 area" means a geographic area where affordable fresh and healthy
40 foods are difficult to obtain, as determined by the state
41 department.**

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



- 1 **(1) an urban neighborhood or rural town in which:**
 2 **(A) at least twenty-five percent (25%) of the households**
 3 **are below the federal income poverty level (as defined in**
 4 **IC 12-15-2-1); or**
 5 **(B) the median family income of residents is not more than**
 6 **eighty percent (80%) of the median family income of the**
 7 **state;**
 8 **(2) an urban neighborhood, rural town, or metropolitan**
 9 **census tract in which at least five hundred (500) residents or**
 10 **at least thirty-three percent (33%) of the population resides**
 11 **more than one (1) mile from a supermarket or large grocery**
 12 **store; or**
 13 **(3) a nonmetropolitan census tract in which at least five**
 14 **hundred (500) residents or at least thirty-three percent (33%)**
 15 **of the population resides more than ten (10) miles from a**
 16 **supermarket or large grocery store.**
 17 **Sec. 5. (a) The healthy food initiative pilot program is**
 18 **established to assist:**
 19 **(1) new businesses;**
 20 **(2) existing businesses; or**
 21 **(3) any legal entity;**
 22 **to offer fresh or unprocessed foods within an underserved**
 23 **geographic area.**
 24 **(b) Except as provided in subsection (g), the division shall**
 25 **establish:**
 26 **(1) criteria for awarding grants and making loans, including**
 27 **a preference for applicants who will use a grant or loan to**
 28 **offer fresh or unprocessed foods produced in Indiana; and**
 29 **(2) terms and conditions for recipients of grants and loans;**
 30 **under the pilot program established by this chapter.**
 31 **(c) A recipient of a grant or loan must abide by:**
 32 **(1) this chapter; and**
 33 **(2) the terms and conditions established under subsection**
 34 **(b)(2).**
 35 **(d) The recipient of a grant or loan:**
 36 **(1) may use the proceeds of the grant or loan only to acquire,**
 37 **repair, or renovate property or equipment to be used in the**
 38 **recipient's business or other entity in offering fresh or**
 39 **unprocessed foods within an underserved geographic area;**
 40 **and**
 41 **(2) may not use the proceeds of the grant or loan to acquire**
 42 **food to be sold by the recipient's business or other entity.**



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

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

9 (g) The division shall award at least one (1) grant or loan under
 10 the pilot program in the following areas:

11 (1) One (1) in an area that includes one (1) of the following
 12 counties:

13 (A) Boone County.

14 (B) Hamilton County.

15 (C) Hancock County.

16 (D) Hendricks County.

17 (E) Johnson County.

18 (F) Marion County.

19 (G) Morgan County.

20 (H) Shelby County.

21 (2) One (1) in the northeast part of Indiana.

22 (3) One (1) in the northwest part of Indiana.

23 (4) One (1) in the southeast part of Indiana.

24 (5) One (1) in the southwest part of Indiana.

25 Sec. 6. (a) The healthy food initiative fund is established for the
 26 purpose of awarding grants and making loans under the pilot
 27 program established by section 5 of this chapter.

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

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

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

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

37 Sec. 7. (a) The division shall:

38 (1) establish criteria for the evaluation of the health impact of
 39 the pilot program; and

40 (2) evaluate the grants and loans awarded under the pilot
 41 program according to the criteria established under
 42 subdivision (1).



1 **(b) The division, at the direction of the state health**
2 **commissioner, shall submit an annual report to the general**
3 **assembly in an electronic format under IC 5-14-6. The report must**
4 **document the effectiveness of the pilot program, including:**

5 **(1) the amount of each grant or loan awarded to a recipient;**

6 **(2) the number of jobs created;**

7 **(3) how grants and loans were used by each recipient; and**

8 **(4) the products sold using property or equipment acquired,**
9 **repaired, or renovated using awarded grants and loans.**

10 **Sec. 8. There is appropriated from the state general fund to the**
11 **healthy food initiative fund established by section 6 of this chapter**
12 **two million dollars (\$2,000,000) for use by the state department of**
13 **health for the purposes of the healthy food initiative fund for the**
14 **state fiscal year beginning July 1, 2017, and ending June 30, 2018.**
15 **This section expires July 1, 2018.**

16 **Sec. 9. This chapter expires July 1, 2021.**

