

BILL ANALYSIS

H.B. 482
By: Rodriguez
Agriculture & Livestock
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Due to transportation problems or other barriers, residents in low-income areas often rely on small local grocers and convenience stores for their groceries if they do not have easy access to supermarkets outside of their neighborhoods. For a variety of reasons, many of these retailers do not have the ability to carry fresh fruits and vegetables in their inventory. Some retailers do not have experience regarding the life span, stocking, and refrigeration requirements for various fruits and vegetables. Some of them cannot afford the one-time cost of the refrigeration units required for certain types of produce. Some of them are afraid to risk the investment because they are not sure that their customers are aware of the important role fresh fruits and vegetables play in their overall health. As a result, many low-income individuals and families are not able to incorporate these foods into their daily diet.

Similarly, many low-income seniors who are on fixed incomes do not eat fresh produce on a regular basis because they cannot afford to do so. The federal government has partially addressed this issue by establishing the Senior Farmers' Market Nutrition Program, which awards grants to states to provide low-income seniors with coupons that can be exchanged for eligible foods, such as fruits, vegetables, and herbs, at farmers' markets, roadside stands, and community supported agriculture programs.

H.B. 482 increases access to fresh fruits and vegetables for low-income people and low-income seniors. The bill instructs the Texas Department of Agriculture to establish a time-limited competitive grant program to assist small grocers in low-income communities where access to larger food retailers is limited. The program will assist grocers that receive grants to be able to effectively and efficiently stock fresh produce. The bill also instructs the Texas Department of Agriculture, subject to available federal funding, to implement the federal Senior Farmers' Market Nutrition Program in Texas.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Department of Agriculture in SECTION 1 of this bill.

ANALYSIS

H.B. 482 amends the Agriculture Code to add temporary provisions, set to expire on September 1, 2011, that require the Department of Agriculture (TDA) to develop and implement a small retailers competitive grant pilot program through which to award grants to small retailers in low-income communities to increase the access to fresh produce by individuals in those communities. The bill requires TDA by rule to define "small retailer," and the bill defines "fresh produce." The bill requires TDA to select at least two urban and two rural counties in which to operate the program, and requires that a participating county have at least 75,000 residents with net family income below 100 percent of the federal poverty level or have a poverty rate above the statewide average. The bill requires TDA to advertise the program, before issuing a request for proposals or awarding a grant, by posting information on its website and distributing information through

certain food and retail related associations and organizations. The bill sets a program implementation deadline of January 1, 2010.

H.B. 482 provides that a small retailer is eligible to apply for a grant under the program if the small retailer's place of business is located within a county in which TDA operates the program and there is no other retailer of fresh produce within a one-mile radius of the small retailer's place of business on the date of the application. The bill authorizes a grant recipient to use grant money only to cover costs approved by the department, which may include costs related to training employees regarding the proper storage and marketing of fresh produce and to obtaining marketing materials, refrigeration units, and technical assistance on the required equipment to store fresh produce. The bill requires a grant recipient regularly to report information related to the program as prescribed by TDA and requires the report to include information on the recipient's added inventory of fresh produce, the amount of monthly gross receipts from the sale of fresh produce, and a detailed accounting of how grant money was spent. The bill requires TDA to monitor and evaluate each grant recipient's performance and use of the grant money and the effect of the program on the ability of the recipient to include fresh produce in the recipient's inventory.

H.B. 482 requires TDA, not later than December 1, 2010, to submit an initial report to the legislature that includes an evaluation of the performance and operation of the program and recommendations on its continuation, elimination, or expansion. The bill requires TDA to submit a final report that includes an overall evaluation of the performance and operation of the program as soon as practicable after its completion of the program but not later than November 1, 2011.

H.B. 482 requires the department to seek and apply for any available federal funding, including federal matching funds, to assist with financing the program.

H.B. 482, in separate provisions that are not temporary, requires the department, subject to available federal funding, to establish and implement a farmers' market nutrition program for seniors in accordance with federal statute to provide low-income persons who are 60 years of age or older with fresh fruits, vegetables, and herbs through farmers' markets and other local venues. The bill requires the department, as soon as practicable, to seek, apply for, and actively pursue any available federal funding to implement the program and to delay implementing the program until funding is granted. The bill requires the department to adopt rules necessary to implement the program.

EFFECTIVE DATE

September 1, 2009.