

WEST VIRGINIA LEGISLATURE

2019 REGULAR SESSION

Introduced

Senate Bill 383

FISCAL
NOTE

BY SENATORS CLEMENTS, SYPOLT, AND CLINE

[Introduced January 21, 2019; Referred
to the Committee on Agriculture and Rural Development;
and then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,
2 designated §19-36-1, §19-36-2, §19-36-3, §19-36-4, §19-36-5, §19-36-6, and §19-36-7,
3 all relating to creating West Virginia Healthy Food Crop Block Grant Program; stating
4 findings; defining terms; creating fund; providing general revenue to fund grants for five
5 years; partnering with nonprofit food and farm organization; establishing grant selection
6 committee and membership; providing method for allocating grants; limiting grants;
7 providing for rulemaking; and establishing program review reports.

Be it enacted by the Legislature of West Virginia:

ARTICLE 36. WEST VIRGINIA HEALTHY FOOD CROP BLOCK GRANT PROGRAM.

§19-36-1. Findings and purpose.

1 (a) The Legislature finds that it is an important public policy to promote access to fresh,
2 healthy and local fruits and vegetables throughout West Virginia. However over 33 percent of the
3 state's population lives in a food desert, 70 percent live over 10 minutes from a grocery store, and
4 the state has one of the highest food insecurity rates in the nation. Lack of access to affordable,
5 fresh, high-quality, nutritious produce is contributing to a large number of health problems in West
6 Virginia.

7 (b) Local farmers have the capability and desire to grow and expand access to fresh fruits
8 and vegetables to the state's population. Studies have found that a top motivation for West
9 Virginia farmers is improving community health. However, the market uncertainty and financial
10 risks that farmers face when growing and harvesting specialty crops make famers hesitant to
11 grow crops such as fruits and vegetables.

12 (c) Therefore, the Legislature hereby establishes the West Virginia Healthy Food Crop
13 Block Grant Program. The program will provide an incentive of up to \$10,000 per year to eligible
14 West Virginia farmers who commit to growing fruits and vegetables that serve community health
15 initiatives. Produce from the healthy food crop block grants will be managed in real-time within a
16 statewide inventory system administered by a food and farm nonprofit organization.

17 (d) The inventory system will be easily accessible to health advocates, health care
 18 facilities, obesity prevention organizations and other community health programs, which will be
 19 able to purchase the produce from the statewide inventory system at wholesale rates. The high-
 20 quality produce will then be directly distributed to hospitals, senior food services, food banks,
 21 “farmacies” kid's markets, nutrition programs, and neighborhood wellness programs, to name a
 22 few. Every dollar spent on healthy food and paid into the inventory system will be bankrolled into
 23 the next years’ healthy food crop block grant program to increase the amount of produce available
 24 for distribution.

§19-36-2. Definitions.

1 As used in this article:

2 “Department” means the Department of Agriculture.

3 “Health advocate” means a representative from a social service organization working on
 4 healthy food access initiatives.

5 “Nonprofit food and farm organization” means a Title 26 U. S. C. § 501(c)(3) food and farm
 6 organization that is involved in food production and farm development throughout the state that
 7 is capable of partnering with the department to effectuate the grant program. The nonprofit food
 8 and farm program will be responsible for administering the aggregation and distribution network
 9 through the statewide inventory system, will be a cochair of the grant selection committee, and
 10 will work to develop additional financial and in-kind support via the philanthropic community.

11 “West Virginia farmer” means an eligible farmer located in West Virginia who is registered
 12 with the West Virginia Secretary of State's office as a farm business and who further meets the
 13 grant criteria set forth by the grant committee or by rule.

§19-36-3. Amount of grant program: creation of fund.

1 (a) There is created in the State Treasury a special revenue account to be designated the
 2 West Virginia Healthy Food Crop Block Grant Program Fund and administered by the
 3 Commissioner of Agriculture. Expenditures from the fund are for the purposes set forth in this

4 article and are to be made in accordance with appropriation by the Legislature and in accordance
5 with the provisions of §12-3-1 et seq. of this code and upon the fulfillment of the provisions set
6 forth in §11B-2-1 et seq. of this code.

7 (b) In each of the following five fiscal years, \$200,000 of General Revenue shall be
8 deposited into the West Virginia Healthy Food Crop Block Grant Program Fund.

9 (c) All moneys received and collected, pursuant to this article shall be deposited into the
10 fund. The fund may receive any appropriations, gifts, grants, contributions, or other money from
11 any source that is designated for deposit into the fund.

12 (d) The department may not use the grant funds for administrative expenses, as the
13 majority of the administrative duties are to be delegated to the nonprofit food and farm
14 organization partner. The funds shall be used exclusively for increasing fruit and vegetable crop
15 output from West Virginia farmers.

§19-36-4. Nonprofit food and farm organization partner; grant selection committee.

1 (a) The commissioner shall interview and select a nonprofit food and farm organization to
2 partner with for the implementation and administration of the crop block grant program.

3 (b) The commissioner, or designee, shall cochair the nine-member grant selection
4 committee that reviews, evaluates, and selects crop block grant recipients. The nonprofit's
5 executive director, or designee, shall cochair the grant selection committee, and provide
6 recommendations to the commissioner for the appointment the following additional members:

7 (1) Three small farmers from different regions of the state who are involved with
8 community health initiatives and who are not applying for crop block grants;

9 (2) Three healthcare advocates from different regions of the state; and

10 (3) A food insecurity or food desert specialist.

11 (c) The committee shall establish the specific criteria for the crop block grants, which shall
12 include the goal of creating a statewide inventory of affordable, fresh, high-quality, nutritious fruits
13 and vegetables of all kinds. The criteria may be reevaluated each year to continually strive toward

14 the above goal.

15 (d) The committee shall prepare an application and a timeline for the process of advertising
16 the grants, accepting grant applications and awarding the grants.

§19-36-5. Healthy food crop block grant program.

1 (a) The grant selection committee shall publish the availability of the crop block grants
2 through social media, farming associations, market bulletins, and a statewide newspaper seeking
3 grant applications.

4 (b) The grant selection committee shall review the applications and award grants of up to
5 \$10,000 each to qualifying West Virginia farmers who meet the grant criteria.

6 (c) Up to \$50,000 of the program's fund shall be annually allocated to the nonprofit food
7 and farm organization to administer the statewide crop block inventory, aggregation, and delivery
8 system.

§19-36-6. Emergency and legislative rules.

1 The Commissioner of Agriculture may propose emergency and legislative rules for
2 approval by the Legislature in accordance with the provisions of §29A-3-1 et seq. of this code as
3 may be necessary to carry out the purposes of this article.

§19-36-7. Healthy food crop block grant program report.

1 Beginning on the first day of the second fiscal year after the passage of this article and
2 every year after that, the department shall submit to the Governor, the President of the Senate,
3 and the Speaker of the House of Delegates, a program review and accountability report evaluating
4 the effectiveness of the grant program during the most recent fiscal year for which information is
5 available.

NOTE: The purpose of this bill is to establish the West Virginia Healthy Food Crop Block Grant Program. The program will provide an incentive of up to \$10,000 per year to eligible West Virginia farmers who commit to growing fruits and vegetables that serve community health initiatives. Produce from the healthy food crop block grants will be managed in real-time within a statewide inventory system administered by a food and farm nonprofit

organization and delivered straight to hospitals, senior food services, “farmacies”, kid's markets, nutrition programs, and neighborhood wellness programs to name a few.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.