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An Act To Encourage Good Nutrition and Healthy Choices in the Supplemental Nutrition Assistance Program

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 22 MRSA §3109 is enacted to read:

§ 3109. Healthy Local Foods Initiative Program

1. Healthy Local Foods Initiative Program. The Healthy Local Foods Initiative Program, referred to in this section as "the program," is established within the department to engage in efforts to seek out and support, sustain or assist eligible applicants in submitting proposals for federal grants or funding to establish pilot projects designed to improve the diets of low-income persons enrolled in a statewide food supplement program administered as part of the federal supplemental nutrition assistance program under section 3104, referred to in this section as "project participants." For the purpose of this section, "eligible applicant" means an applicant that meets the eligibility standards of the United States Department of Agriculture for accepting federal grants and funding through the federal supplemental nutrition assistance program under section 3104.

2. Working group. The department shall convene a working group of 9 members, referred to in this section as "the working group," to assist the department in carrying out the purposes of the program. The commissioner shall appoint the members of the working group, which must include:

- A. A representative of the department;
- B. A representative of Healthy Maine Partnerships;
- C. A representative from a local food access network administered by a statewide land trust organization that works to protect farmland;
- D. A food retailer;
- E. A person with expertise in nutrition policy;
- F. A person with an advanced degree and expertise in food policy;
- G. A person engaged in the production and sale of local fruits or vegetables;
- H. An anti-hunger advocate; and
- I. A participant in the program.

The department's staff shall support the working group. The working group shall make recommendations to the department regarding the best practices and criteria for evaluating proposals and ensuring qualification for federal grants or funding for pilot projects under subsection 3 and to assist the department in identifying one or more applicants that the working group determines are eligible applicants and are qualified to conduct a pilot project.

3. Pilot project criteria. Evaluation criteria developed by the working group must provide for objective assessment of the extent to which a proposed pilot project by an eligible applicant under subsection 1 will improve the diets of project participants and households, reduce obesity and support farmers and businesses in the State by increasing purchases of fruits and vegetables by project participants and promoting effective and efficient use of program benefits. Criteria must provide a basis for weighing the extent to which a pilot project explores ways to make locally produced fruits and vegetables without added sugars, fats or oils more affordable at the point of purchase and provide incentives to enable households of participants enrolled in a project to obtain additional fruits and vegetables when purchasing such produce at a local retail store or farmers' market or through a community supported agriculture or fisheries enterprise. Any application seeking department support must ensure that a project participant be informed of any educational services provided by the statewide food supplement program under section 3104 available in the participant's area promoting healthy food choices and related practical food preparation techniques for a person living within a limited budget.

4. Department support; assistance. The department shall consider working group criteria and recommendations in determining which pilot project applications to support for federal approval. The department may support more than one proposal for a pilot project under subsection 3 to implement the program. Upon determining proposals receiving support of the department, the department shall assist an eligible applicant receiving support in obtaining funding from the United States Department of Agriculture, Food Insecurity Nutrition Incentive Grant Program or another appropriate funding source and contribute, within the limits of available funds, the matching funds required of the eligible applicant for obtaining funding pursuant to subsection 5. The department may require that an eligible applicant receiving a grant match a contribution provided by the department to the extent the applicant is able.

5. Healthy Local Foods Incentive Fund. The Healthy Local Foods Incentive Fund, referred to in this subsection as "the fund," is a revolving, nonlapsing fund administered by the department to carry out the purposes of the program. The fund includes:

A. At least 50% of any funds received in any fiscal year from the United States Department of Agriculture as a bonus payment for the performance of the department in administering the statewide food supplement program under section 3104 that are allowed by federal law to be used for the purposes of this section;

B. At least 50% of any funds received in any fiscal year from the United States Department of Agriculture as a bonus payment for the performance of the department in administering the statewide food supplement program under section 3104 that are not allowed by federal law to be used for the

purposes of this section to the extent that the funds may be substituted for General Fund expenditures for the statewide food supplement program with the effect of making the General Fund funds available;

C. Notwithstanding section 3104, subsection 11, 50% of the State's portion of funds recouped from the collection of overpayment claims received in fiscal year 2014 under section 3104, subsection 11; and

D. Funds received from a hospital organization in the State pursuant to the implementation strategy to meet the community's health needs identified through a community health needs assessment under Section 501(r) of the United States Internal Revenue Code of 1985, as amended.

6. Promotion by department. The department shall inform hospital organizations in the State of the opportunity to meet federal requirements pursuant to subsection 5, paragraph D by providing funds to the fund and promote this opportunity.

7. Rules. The department may adopt routine technical rules as defined in Title 5, chapter 375, subchapter 2-A to ensure compliance with federal and state requirements associated with any grant funds, to ensure fairness and accountability in the award and expenditure of a grant under this section and to carry out the purposes of the program.

SUMMARY

This bill creates the Healthy Local Foods Initiative Program to engage in efforts to seek out and support, sustain or assist eligible applicants in submitting proposals for federal grants or funding for pilot projects to improve the diets of low-income persons enrolled in a statewide food supplement program administered as part of the federal supplemental nutrition assistance program. The bill directs the Department of Health and Human Services to create a working group of various interested parties to make recommendations concerning best practices and criteria for evaluation of proposals for federal grants or funding to conduct pilot projects designed to provide incentives to participants of the federal supplemental nutrition assistance program to improve their diets, reduce obesity and support farmers and businesses in the State. The bill directs the department to provide the matching funds required of a chosen applicant in order to receive a federal grant to the extent funds are available in the Healthy Local Foods Incentive Fund. Contributions to the fund are derived from a portion of bonus payments received from the United States Department of Agriculture for the performance of the Department of Health and Human Services in administering the statewide food supplement program under the federal supplemental nutrition assistance program, from the State's portion of funds recouped from the collection of overpayment claims from program recipients and from other sources. Contributions to the fund may also be received from hospital organizations fulfilling United States Internal Revenue Service requirements to meet community health needs.