

115TH CONGRESS
2D SESSION

H. R. 5563

To amend the Food, Conservation, and Energy Act of 2008 to revise the food insecurity nutrition incentive.

IN THE HOUSE OF REPRESENTATIVES

APRIL 18, 2018

Mr. KILDEE (for himself, Mr. MCGOVERN, Ms. PINGREE, Ms. ADAMS, Ms. FUDGE, Mr. SEAN PATRICK MALONEY of New York, Ms. KAPTUR, Ms. LEE, and Ms. BLUNT ROCHESTER) introduced the following bill; which was referred to the Committee on Agriculture

A BILL

To amend the Food, Conservation, and Energy Act of 2008 to revise the food insecurity nutrition incentive.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Gus Schumacher Food
5 Insecurity Nutrition Incentive Reauthorization Act of
6 2018”.

1 **SEC. 2. FOOD INSECURITY NUTRITION INCENTIVE.**

2 Section 4405 of the Food, Conservation, and Energy
3 Act of 2008 (7 U.S.C. 7517) is amended to read as fol-
4 lows:

5 **“SEC. 4405. GUS SCHUMACHER FOOD INSECURITY NUTRI-**
6 **TION INCENTIVE.**

7 “(a) DEFINITIONS.—In this section:

8 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-
9 tity’ means—

10 “(A) a nonprofit organization (including
11 an emergency feeding organization);

12 “(B) an agricultural cooperative;

13 “(C) a producer network or association;

14 “(D) a community health organization;

15 “(E) a public benefit corporation;

16 “(F) an economic development corporation;

17 “(G) a farmers’ market;

18 “(H) a community-supported agriculture
19 program;

20 “(I) a buying club;

21 “(J) a retail food store participating in the
22 supplemental nutrition assistance program;

23 “(K) a State, local, or Tribal agency; and

24 “(L) any other entity the Secretary des-
25 ignates.

1 “(2) EMERGENCY FEEDING ORGANIZATION.—
2 The term ‘emergency feeding organization’ has the
3 meaning given the term in section 201A of the
4 Emergency Food Assistance Act of 1983 (7 U.S.C.
5 7501).

6 “(3) SUPPLEMENTAL NUTRITION ASSISTANCE
7 PROGRAM.—The terms ‘supplemental nutrition as-
8 sistance program’ and ‘SNAP’ refer to the supple-
9 mental nutrition assistance program established
10 under the Food and Nutrition Act of 2008 (7 U.S.C.
11 2011 et seq.).

12 “(b) FOOD INSECURITY NUTRITION INCENTIVE
13 GRANTS.—

14 “(1) AUTHORIZATION.—

15 “(A) IN GENERAL.—Each fiscal year, the
16 Secretary shall make grants to eligible entities
17 in accordance with paragraph (2).

18 “(B) FEDERAL SHARE.—The Federal
19 share of the cost of carrying out an activity
20 under this subsection shall not exceed 50 per-
21 cent of the total cost of the activity.

22 “(C) NON-FEDERAL SHARE.—

23 “(i) IN GENERAL.—The non-Federal
24 share of the cost of an activity under this
25 subsection may—

1 “(I) be provided by a State, local,
2 or tribal agency, other eligible entity,
3 or any other entity, including a for-
4 profit entity; and

5 “(II) consist of in cash or in-kind
6 contributions acceptable to the Sec-
7 retary, including facilities, equipment,
8 or services.

9 “(ii) LIMITATION.—If any part of the
10 non-Federal share described in clause (i) is
11 provided by a for-profit entity, employee
12 services, including salaries paid or ex-
13 penses covered by the for-profit entity,
14 may not be counted toward satisfying the
15 non-Federal share.

16 “(2) CRITERIA.—

17 “(A) IN GENERAL.—To apply for a grant
18 under this section, a non-profit organization,
19 State, local, or Tribal agency, or grocer shall
20 submit an application that meets such applica-
21 tion criteria as the Secretary may require and
22 specifically satisfies the following requirements:

23 “(i) The application proposes a
24 project that has the support of the State
25 agency that administers SNAP in the

1 State in which the project is proposed to
2 be carried out.

3 “(ii) The proposed project, at a min-
4 imum, would increase the purchase of
5 fruits and vegetables by low-income con-
6 sumers participating in SNAP by pro-
7 viding monetary incentives at the point of
8 purchase.

9 “(iii) The non-profit organization,
10 State, local, or Tribal agency, or grocer
11 will ensure that the same terms and condi-
12 tions apply to purchases made by individ-
13 uals with incentives provided for in this
14 subsection as apply to purchases made by
15 individuals who are not members of house-
16 holds receiving SNAP benefits, such as
17 provided for in section 278.2(b) of title 7,
18 Code of Federal Regulations (or a suc-
19 cessor regulation).

20 “(iv) The non-profit organization,
21 State, local, or Tribal agency, or grocer
22 has adequate plans to collect data for re-
23 porting and agrees to participate in a pro-
24 gram evaluation conducted pursuant to
25 paragraph (4).

1 “(B) PRIORITY.—In awarding grants
2 under this section, the Secretary shall give pri-
3 ority to projects that—

4 “(i) maximize the share of funds used
5 for direct incentives to participants;

6 “(ii) use direct-to-consumer sales mar-
7 keting;

8 “(iii) demonstrate a track record of
9 designing successful nutrition incentive
10 programs that connect low-income con-
11 sumers with agricultural producers;

12 “(iv) provide locally or regionally pro-
13 duced fruits and vegetables;

14 “(v) are located in underserved com-
15 munities;

16 “(vi) include coordination with mul-
17 tiple stakeholders, such as farm organiza-
18 tions, nutrition education programs, coop-
19 erative extension, public health depart-
20 ments, health providers, private and public
21 health insurance agencies, cooperative gro-
22 cers, grocery associations, community-
23 based and nongovernmental organizations;

24 “(vii) offer supplemental services in
25 high-need communities, including online

1 ordering, transportation between home and
2 store, and delivery services;

3 “(viii) will provide high quality data
4 and analysis demonstrating effectiveness of
5 food insecurity nutrition incentive grants;

6 “(ix) maximize access to fruits and
7 vegetable by low-income consumers partici-
8 pating in SNAP by providing year-round
9 access to fruits and vegetables with max-
10 imum hours of operation during each day
11 of the week; or

12 “(x) address other criteria as estab-
13 lished by the Secretary.

14 “(3) APPLICABILITY.—

15 “(A) IN GENERAL.—The value of any ben-
16 efit provided to a participant in any activity
17 funded under this subsection shall be treated as
18 supplemental nutrition assistance benefits
19 under section 8(b) of the Food and Nutrition
20 Act of 2008 (7 U.S.C. 2017(b)).

21 “(B) PROHIBITION ON COLLECTION OF
22 SALES TAXES.—Each State shall ensure that no
23 State or local tax is collected on a purchase of
24 food under this subsection.

1 “(C) NO LIMITATION ON BENEFITS.—A
2 grant made available under this subsection shall
3 not be used to carry out any project that limits
4 the use of benefits under the Food and Nutri-
5 tion Act of 2008 (7 U.S.C. 2011 et seq.) or any
6 other Federal nutrition law.

7 “(D) HOUSEHOLD ALLOTMENT.—Assist-
8 ance provided under this subsection to house-
9 holds receiving benefits under the supplemental
10 nutrition assistance program shall not—

11 “(i) be considered part of the supple-
12 mental nutrition assistance program bene-
13 fits of the household; or

14 “(ii) be used in the collection or dis-
15 position of claims under section 13 of the
16 Food and Nutrition Act of 2008 (7 U.S.C.
17 2022).

18 “(4) TRAINING, EVALUATION, AND INFORMA-
19 TION CENTER.—

20 “(A) IN GENERAL.—The Secretary shall
21 establish a Food Insecurity Nutrition Incentive
22 Program Training, Evaluation, and Information
23 Center capable of providing services to grant re-
24 cipients under this section, including the fol-
25 lowing services:

1 “(i) Providing incentive program
2 training and technical assistance to grant
3 applicants and recipients.

4 “(ii) Collecting, evaluating, and deliv-
5 ering information on best practices on
6 common incentive activities.

7 “(iii) Assisting with collaboration be-
8 tween grant projects, State agencies, and
9 SNAP Education programs.

10 “(iv) Facilitating communication be-
11 tween grantees and national and regional
12 offices of the Department of Agriculture.

13 “(v) Compiling program data from
14 grant recipients and generating an annual
15 report to Congress on grant outcomes be-
16 ginning with fiscal year 2020.

17 “(vi) Supporting efforts for SNAP in-
18 centive transactions at the point of sale.

19 “(B) COOPERATIVE AGREEMENT.—To
20 carry out subparagraph (A), the Secretary may
21 enter into a cooperative agreement with one or
22 more organizations with expertise in supple-
23 mental nutrition assistance program incentive
24 programs, including—

25 “(i) nongovernmental organizations;

1 “(ii) State or regional Cooperative Ex-
2 tension Services;

3 “(iii) regional food system centers;

4 “(iv) Federal and State agencies;

5 “(v) public, private, and land-grant
6 colleges and universities; and

7 “(vi) other appropriate partners as
8 determined by the Secretary.

9 “(C) PRIORITY.—The Secretary shall give
10 priority to cooperative agreement applicants
11 that—

12 “(i) demonstrate the capacity to effec-
13 tively implement outreach, training, and
14 coordination functions;

15 “(ii) can produce instructional mate-
16 rials that can easily be replicated and dis-
17 tributed to grantees through multiple for-
18 mats;

19 “(iii) have working partnerships with
20 non-profit and private sectors organiza-
21 tions and local, State, and tribal govern-
22 ments;

23 “(iv) have the ability to work in un-
24 derserved or rural communities; and

1 “(v) have an organizational mission
2 aligned with needs of the program under
3 this section.

4 “(D) FUNDING LIMITATIONS.—Of the
5 funds made available under subsection (c), the
6 Secretary may use—

7 “(i) \$2,000,000 in each of fiscal years
8 2019 and 2020 to establish the Food Inse-
9 curity Nutrition Incentive Program Train-
10 ing, Evaluation, and Information Center;
11 and

12 “(ii) \$1,000,000 each fiscal year
13 thereafter to support the operations of the
14 Center.

15 “(c) FUNDING.—

16 “(1) AUTHORIZATION OF APPROPRIATIONS.—
17 There is authorized to be appropriated to carry out
18 subsection (b), \$5,000,000 for each of fiscal years
19 2019 through 2023.

20 “(2) MANDATORY FUNDING.—Subject to para-
21 graph (3), of the funds of the Commodity Credit
22 Corporation, the Secretary shall use to carry out
23 subsection (b)—

24 “(A) \$45,000,000 for fiscal year 2019;

25 “(B) \$50,000,000 for fiscal year 2020;

1 “(C) \$55,000,000 for fiscal year 2021;

2 “(D) \$60,000,000 for fiscal year 2022;

3 and

4 “(E) \$65,000,000 for fiscal year 2023 and

5 each fiscal year thereafter.”.

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