

115TH CONGRESS  
1ST SESSION

# H. R. 3941

To improve food safety, to encourage greater production of agricultural commodities for use in the locality in which produced, to reauthorize and expand Department of Agriculture support of these efforts, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

OCTOBER 4, 2017

Ms. PINGREE (for herself, Mr. FORTENBERRY, and Mr. SEAN PATRICK MALONEY of New York) introduced the following bill; which was referred to the Committee on Agriculture, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

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## A BILL

To improve food safety, to encourage greater production of agricultural commodities for use in the locality in which produced, to reauthorize and expand Department of Agriculture support of these efforts, and for other purposes.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Local Food And Regional Market Supply Act” or the  
6 “Local FARMS Act”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
2 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Agricultural market development program.
- Sec. 3. Food safety outreach program.
- Sec. 4. Food safety cost-share program.
- Sec. 5. National organic certification cost-share program.
- Sec. 6. Livestock, dairy, and poultry supply chain infrastructure grants and loans.
- Sec. 7. Geographic preference and identification for school food.
- Sec. 8. Harvesting health program.
- Sec. 9. Extension of, expansion of, and additional funding for, seniors farmers' market nutrition program.
- Sec. 10. Food and agriculture service learning program.

3 **SEC. 2. AGRICULTURAL MARKET DEVELOPMENT PRO-**  
4 **GRAM.**

5 (a) PURPOSE.—The purpose of this Act is to combine  
6 the purposes and coordinate the functions of—

7 (1) the Farmers' Market and Local Food Pro-  
8 motion Program established under section 6 of the  
9 Farmer-to-Consumer Direct Marketing Act of 1976  
10 (7 U.S.C. 3005); and

11 (2) the value-added agricultural product market  
12 development grants under section 231(b) of the Ag-  
13 ricultural Risk Protection Act of 2000 (7 U.S.C.  
14 1632a(b)).

15 (b) AGRICULTURAL MARKET DEVELOPMENT PRO-  
16 GRAM.—Subtitle A of the Agricultural Marketing Act of  
17 1946 (7 U.S.C. 1621 et seq.) is amended by adding at  
18 the end the following new section:

1 **“SEC. 3. AGRICULTURAL MARKET DEVELOPMENT PRO-**  
2 **GRAM.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) BEGINNING FARMER OR RANCHER.—The  
5 term ‘beginning farmer or rancher’ has the meaning  
6 given the term in section 343(a) of the Consolidated  
7 Farm and Rural Development Act (7 U.S.C.  
8 1991(a)).

9 “(2) DIRECT PRODUCER-TO-CONSUMER MAR-  
10 KETING.—The term ‘direct producer-to-consumer  
11 marketing’ has the meaning given the term ‘direct  
12 marketing from farmers to consumers’ in section 3  
13 of the Farmer-to-Consumer Direct Marketing Act of  
14 1976 (7 U.S.C. 3002).

15 “(3) ELIGIBLE ACTIVITY.—The term ‘eligible  
16 activity’ means an activity described in subsection  
17 (d)(2) that is carried out using a grant provided  
18 under subsection (d)(1).

19 “(4) ELIGIBLE ENTITY.—The term ‘eligible en-  
20 tity’ means—

21 “(A) an independent producer;

22 “(B) an agricultural producer group, net-  
23 work, or association, including a community  
24 supported agriculture network or association;

1           “(C) a farmer or rancher cooperative,  
2 other agricultural business entity, or majority-  
3 controlled producer-based business venture;

4           “(D) a food council;

5           “(E) a State or local government;

6           “(F) a Tribal government or Tribal gov-  
7 ernment agency;

8           “(G) a nonprofit corporation;

9           “(H) an institution of higher education;

10          “(I) a public benefit corporation;

11          “(J) an economic development corporation;

12          “(K) a regional farmers’ market authority;

13          and

14          “(L) another entity, as determined by the  
15 Secretary.

16          “(5) ELIGIBLE PARTNER.—The term ‘eligible  
17 partner’ means—

18           “(A) a State agency or regional authority;

19           “(B) a philanthropic organization;

20           “(C) a private corporation;

21           “(D) a commercial, Federal, or Farm  
22 Credit System lending institution;

23           “(E) a community development financial  
24 institution; and

1           “(F) another entity, as determined by the  
2           Secretary.

3           “(6) FAMILY FARM.—The term ‘family farm’  
4           has the meaning given the term in section 231(a) of  
5           the Agricultural Risk Protection Act of 2000 (7  
6           U.S.C. 1632a(a)).

7           “(7) FOOD COUNCIL.—The term ‘food council’  
8           means a food policy council or food and farm system  
9           network that—

10           “(A) represents multiple organizations;  
11           and

12           “(B) addresses food and farm-related  
13           issues and needs within city, county, State,  
14           Tribal region, multicounty region, or other re-  
15           gion designated by the food council or food sys-  
16           tem network.

17           “(8) INDEPENDENT PRODUCER.—

18           “(A) IN GENERAL.—The term ‘inde-  
19           pendent producer’ means an agricultural pro-  
20           ducer who owns and controls the agricultural  
21           product produced.

22           “(B) INCLUSION.—The term ‘independent  
23           producer’ includes a legal entity solely owned  
24           and controlled by agricultural producers if the  
25           entity owns a majority ownership interest in the

1 agricultural operation of the entity and a sig-  
 2 nificant share of the agricultural product pro-  
 3 duced.

4 “(9) MAJORITY-CONTROLLED PRODUCER-BASED  
 5 BUSINESS VENTURE.—

6 “(A) IN GENERAL.—The term ‘majority-  
 7 controlled producer-based business venture’  
 8 means a venture greater than 50 percent of the  
 9 ownership and control of which is held by—

10 “(i) 1 or more independent producers;

11 or

12 “(ii) an entity or a group of entities  
 13 described in subparagraph (B), 100 per-  
 14 cent of the ownership and control of which  
 15 is held by 1 or more independent pro-  
 16 ducers.

17 “(B) ENTITY DESCRIBED.—For purposes  
 18 of subparagraph (A), the term ‘entity’ means—

19 “(i) a partnership;

20 “(ii) a limited liability corporation;

21 “(iii) a limited liability partnership;

22 “(iv) a corporation; and

23 “(v) a cooperative.

24 “(10) MID-TIER VALUE CHAIN.—The term  
 25 ‘mid-tier value chain’ has the meaning given the

1 term in section 231(a) of the Agricultural Risk Pro-  
2 tection Act of 2000 (7 U.S.C. 1632a(a)).

3 “(11) PARTNERSHIP AGREEMENT.—The term  
4 ‘partnership agreement’ means an agreement en-  
5 tered into under subsection (c).

6 “(12) PROGRAM.—The term ‘Program’ means  
7 the Agricultural Market Development Program es-  
8 tablished under subsection (b).

9 “(13) REGIONAL FOOD CHAIN COORDINA-  
10 TION.—The term ‘regional food chain coordination’  
11 means coordination and collaboration along the sup-  
12 ply chain, including activities that—

13 “(A) identify and organize local food pro-  
14 ducers and entrepreneurs into entities that are  
15 able to deliver local and regional food products  
16 into local markets;

17 “(B) provide market matchmaker services  
18 by identifying and connecting key stakeholders  
19 through referral services and other forms of  
20 short-term engagement;

21 “(C) convene stakeholders and facilitate  
22 relationship-building across the food value chain  
23 by—

24 “(i) engaging key stakeholders;

1                   “(ii) maintaining communication  
2 channels; and

3                   “(iii) fostering a trusting environ-  
4 ment;

5                   “(D) work with supply chain members to  
6 build capacity through education and training  
7 programs for—

8                   “(i) business development practices;

9                   “(ii) marketing and branding; and

10                   “(iii) other similar activities;

11                   “(E) identify and work to remove barriers  
12 to the movement of local and regional food  
13 products into the marketplace;

14                   “(F) increase awareness about procure-  
15 ment requirements (such as bidding procedures  
16 and preferred-vender practices) that may im-  
17 pede the ability of the food chain to access cer-  
18 tain marketing channels;

19                   “(G) provide technical assistance to pro-  
20 ducers and enterprises in the preparation of  
21 grant and loan applications; and

22                   “(H) coordinate with State and local gov-  
23 ernment agencies to enhance supply chain co-  
24 ordination and build on existing efforts to de-  
25 velop regional food systems.



1           “(14) SECRETARY.—The term ‘Secretary’  
2 means the Secretary of Agriculture.

3           “(15) SOCIALLY DISADVANTAGED FARMER OR  
4 RANCHER.—The term ‘socially disadvantaged farmer  
5 or rancher’ has the meaning given the term in sec-  
6 tion 355(e) of the Consolidated Farm and Rural De-  
7 velopment Act (7 U.S.C. 2003(e)).

8           “(16) VALUE-ADDED AGRICULTURAL PROD-  
9 UCT.—The term ‘value-added agricultural product’  
10 has the meaning given the term in section 231(a) of  
11 the Agricultural Risk Protection Act of 2000 (7  
12 U.S.C. 1632a(a)).

13           “(17) VETERAN FARMER OR RANCHER.—The  
14 term ‘veteran farmer or rancher’ has the meaning  
15 given the term in section 2501(e) of the Food, Agri-  
16 culture, Conservation, and Trade Act of 1990 (7  
17 U.S.C. 2279(e)).

18           “(b) ESTABLISHMENT.—The Secretary shall estab-  
19 lish a program, to be known as the ‘Agricultural Market  
20 Development Program’, that—

21           “(1) streamlines existing programs and oper-  
22 ations to more efficiently and effectively support the  
23 development, coordination, and expansion of—

24           “(A) direct producer-to-consumer mar-  
25 keting;

1           “(B) local and regional food markets and  
2 enterprises; and

3           “(C) value-added agricultural products;

4           “(2) connects and cultivates regional food  
5 economies through public-private partnerships;

6           “(3) supports the development of business  
7 plans, feasibility studies, and strategies for local and  
8 regional marketing opportunities;

9           “(4) strengthens capacity and regional food sys-  
10 tem development through community collaboration  
11 and expansion of mid-tier value chains;

12           “(5) improves income and economic opportuni-  
13 ties for producers and food businesses through job  
14 creation and improved regional food system infra-  
15 structure; and

16           “(6) simplifies the application processes and the  
17 reporting processes for the Program.

18           “(c) REGIONAL PARTNERSHIPS.—

19           “(1) PARTNERSHIP AGREEMENTS.—

20           “(A) IN GENERAL.—The Secretary, in ac-  
21 cordance with the purposes of the Program de-  
22 scribed in subsection (b), may enter into 1 or  
23 more partnership agreements to plan and de-  
24 velop a regional food system by supporting eli-  
25 gible activities.

1           “(B) PARTIES TO PARTNERSHIP AGREE-  
2           MENTS.—The Secretary shall enter into a part-  
3           nership agreement with—

4                   “(i) 1 or more eligible partners; and

5                   “(ii) 1 or more eligible entities.

6           “(C) GEOGRAPHIC DIVERSITY.—To the  
7           maximum extent practicable, the Secretary shall  
8           ensure geographic diversity in selecting partner-  
9           ship agreements.

10          “(2) LENGTH OF AGREEMENT.—

11                   “(A) IN GENERAL.—Except as provided in  
12           subparagraph (B), a partnership agreement  
13           shall be for a period not longer than 5 years.

14                   “(B) EXTENSION.—The Secretary may  
15           make an extension of a partnership agreement  
16           for a period of less than a year, if the Secretary  
17           determines that the extension is necessary to  
18           properly complete 1 or more eligible activities.

19          “(3) TERMS OF PARTNERSHIP.—

20                   “(A) IN GENERAL.—Under a partnership  
21           agreement, the eligible partner and the eligible  
22           entity shall—

23                   “(i) determine the scope of the re-  
24           gional food system to be developed, includ-

1 ing goals, outreach objectives, and eligible  
2 activities to be carried out;

3 “(ii) determine the local, regional,  
4 State, multi-State, or other geographic  
5 area covered;

6 “(iii) create and conduct a feasibility  
7 study, implementation plan, and assess-  
8 ment of eligible activities under the part-  
9 nership agreement;

10 “(iv) conduct outreach and education  
11 to other eligible entities and eligible part-  
12 ners for potential participation in the part-  
13 nership agreement and eligible activities;

14 “(v) at the request of a producer or  
15 eligible entity desiring to participate in eli-  
16 gible activities under the partnership  
17 agreement, act on behalf of the producer  
18 or eligible entity in applying for a grant  
19 under subsection (d);

20 “(vi) monitor, evaluate, and periodi-  
21 cally report to the Secretary on progress  
22 made toward achieving the objectives of eli-  
23 gible activities under the partnership  
24 agreement; and

1 “(vii) at the conclusion of the partner-  
2 ship agreement, submit to the Secretary a  
3 report describing—

4 “(I) the results and effects of the  
5 partnership agreement; and

6 “(II) funds provided by an eligi-  
7 ble partner under subparagraph (B).

8 “(B) CONTRIBUTION.—An eligible partner  
9 shall provide funding for a significant portion  
10 (as determined by the Secretary) of the total  
11 cost of eligible activities under the partnership  
12 agreement.

13 “(4) APPLICATIONS.—

14 “(A) IN GENERAL.—One or more eligible  
15 partners and 1 or more eligible entities desiring  
16 to enter into a partnership agreement may sub-  
17 mit to the Secretary an application at such  
18 time, in such manner, and containing such in-  
19 formation as the Secretary considers necessary  
20 to evaluate and select applications.

21 “(B) COMPETITIVE PROCESS.—The Sec-  
22 retary—

23 “(i) shall conduct a competitive proc-  
24 ess to select applications submitted under  
25 subparagraph (A);

1           “(ii) may assess and rank applications  
2           with similar purposes as a group; and

3           “(iii) shall make public the criteria to  
4           be used in evaluating applications prior to  
5           accepting applications.

6           “(C) CONTENT.—An application submitted  
7           to the Secretary under subparagraph (A) shall  
8           include a description of—

9           “(i) the scope of the regional food sys-  
10          tem to be developed, including goals, out-  
11          reach objectives, and eligible activities to  
12          be carried out;

13          “(ii) the local, regional, State, multi-  
14          State, or other geographic area covered;

15          “(iii) the projected financials and  
16          budget for eligible activities, including esti-  
17          mated funded needed from the Secretary  
18          through grants under subsection (d);

19          “(iv) a list of each eligible partner and  
20          each eligible entity collaborating to achieve  
21          the objectives of the partnership agree-  
22          ment, including the roles, responsibilities,  
23          capabilities, and financial contribution of  
24          each eligible partner and each eligible enti-  
25          ty; and

1 “(v) a plan for each of the following:

2 “(I) The feasibility study, imple-  
3 mentation plan, and assessment de-  
4 scribed in paragraph (3)(A)(iii).

5 “(II) The outreach and education  
6 described in paragraph (3)(A)(iv).

7 “(III) The monitoring, evalu-  
8 ating, and reporting described in  
9 paragraph (3)(A)(vi).

10 “(D) PRIORITY TO CERTAIN APPLICA-  
11 TIONS.—The Secretary may give priority to ap-  
12 plications submitted under subparagraph (A)  
13 that—

14 “(i)(I) leverage significant non-Fed-  
15 eral financial and technical resources; and

16 “(II) coordinate with other local,  
17 State, or national efforts;

18 “(ii) plan to create or retain quality  
19 jobs and provide workforce training and  
20 development in the regional food system  
21 developed under the partnership agree-  
22 ment;

23 “(iii) adapt to regional community  
24 needs and demonstrate the inclusion of cul-  
25 tural differences that support food equity;

1 “(iv) support community and regional  
2 economic development, particularly—

3 “(I) in rural areas; or

4 “(II) development that strength-  
5 ens rural and urban connections;

6 “(v) leverage partnerships with exist-  
7 ing agencies and regional supply chains to  
8 better integrate local and regional foods  
9 into new and existing markets;

10 “(vi) demonstrate an ability to build  
11 infrastructure and capacity to sustain the  
12 long-term viability of eligible activities;

13 “(vii) use producer controlled busi-  
14 nesses and cooperative ownership models;

15 “(viii) support the establishment of  
16 producer controlled businesses and cooper-  
17 ative ownership models that serve groups  
18 whose members have been subjected to ra-  
19 cial, ethnic, or gender prejudice because of  
20 their identity as members of a group with-  
21 out regard to their individual qualities;

22 “(ix) cover an area located in dis-  
23 tressed low-income rural and urban com-  
24 munities, including areas with persistent  
25 poverty;



1           “(x) demonstrate consistency with ex-  
2           isting regional economic or community de-  
3           velopment plans for the area to be served  
4           by eligible activities; and

5           “(xi) meet other factors that are im-  
6           portant for achieving the purposes of the  
7           Program described in subsection (b), as de-  
8           termined by the Secretary.

9           “(d) DEVELOPMENT GRANTS.—

10           “(1) IN GENERAL.—Under the Program, the  
11           Secretary may provide grants to eligible entities to  
12           carry out, in accordance with purposes of the Pro-  
13           gram described in subsection (b), activities described  
14           in paragraph (2).

15           “(2) ELIGIBLE ACTIVITIES.—An eligible entity  
16           may use a grant provided under paragraph (1)—

17           “(A) to support and promote—

18           “(i) domestic direct producer-to-con-  
19           sumer marketing;

20           “(ii) farmers’ markets;

21           “(iii) roadside stands;

22           “(iv) agritourism activities;

23           “(v) community-supported agriculture  
24           programs;

25           “(vi) online sales; or

1                   “(vii) domestic direct producer-to-re-  
2                   tailer marketing;

3                   “(B) to support local and regional food  
4                   business enterprises that engage as inter-  
5                   mediaries in indirect producer-to-consumer  
6                   marketing;

7                   “(C) to support the processing, aggrega-  
8                   tion, distribution, and storage of local and re-  
9                   gional food products that are marketed locally  
10                  or regionally;

11                  “(D) to encourage the development of new  
12                  food products and value-added agricultural  
13                  products;

14                  “(E) to assist with business development  
15                  and feasibility studies;

16                  “(F) to develop marketing strategies for  
17                  producers of local food products and value-  
18                  added agricultural products in new and existing  
19                  markets;

20                  “(G) to facilitate regional food chain co-  
21                  ordination and mid-tier value chain develop-  
22                  ment;

23                  “(H) to promote new business opportuni-  
24                  ties and marketing strategies to reduce on-farm  
25                  food waste; or

1           “(I) to respond to changing technology  
2           needs in direct producer-to-consumer mar-  
3           keting.

4           “(3) CRITERIA AND GUIDELINES FOR APPLICA-  
5           TIONS.—The Secretary shall establish such criteria  
6           and guidelines for the submission of applications,  
7           evaluation, and funding of proposed projects under  
8           the Program as the Secretary determines are appro-  
9           priate.

10          “(4) PRIORITIES.—

11                 “(A) REQUIRED PRIORITY.—The Secretary  
12                 shall give priority to applications submitted  
13                 under paragraph (3) that—

14                         “(i) are applied for by or serve—

15                                 “(I) beginning farmers or ranch-  
16                                 ers;

17                                 “(II) socially disadvantaged  
18                                 farmers or ranchers;

19                                 “(III) operators of small or me-  
20                                 dium sized farms or ranches that are  
21                                 structured as family farms; or

22                                 “(IV) veteran farmers or ranch-  
23                                 ers;

24                                 “(ii) benefit underserved communities,  
25                                 including communities that are located in

1 areas of concentrated poverty with limited  
2 access to fresh locally or regionally grown  
3 food.

4 “(B) DISCRETIONARY PRIORITY.—The  
5 Secretary may give priority to applications sub-  
6 mitted under paragraph (3) that—

7 “(i) are applied for by an eligible enti-  
8 ty participating in a partnership agree-  
9 ment; and

10 “(ii) intend to carry out eligible activi-  
11 ties under the partnership agreement.

12 “(5) TERM.—The term of a grant under this  
13 subsection shall be not longer than 3 years, as deter-  
14 mined by the Secretary.

15 “(6) AMOUNT.—The amount of a grant under  
16 the Program shall be not more than \$500,000, as  
17 determined by the Secretary.

18 “(7) LIMITATION ON USE OF FUNDS.—An eligi-  
19 ble entity may not use a grant under this subsection  
20 for the purchase or construction of a building or  
21 structure.

22 “(e) SIMPLIFICATION OF APPLICATION AND REPORT-  
23 ING PROCESSES.—

24 “(1) APPLICATIONS.—The Secretary shall—

1           “(A) simplify the application process for a  
2 grant under subsection (d); and

3           “(B) establish a simplified application  
4 form for eligible entities that request less than  
5 \$50,000 under that subsection.

6           “(2) REPORTING.—The Secretary shall—

7           “(A) streamline and simplify the reporting  
8 process for eligible entities; and

9           “(B) obtain from eligible entities and  
10 maintain such information as the Secretary de-  
11 termines is necessary to administer and evalu-  
12 ate the Program.

13           “(f) ECONOMY ACT AGREEMENTS.—

14           “(1) IN GENERAL.—In carrying out the Pro-  
15 gram, the Secretary, acting through the Adminis-  
16 trator of the Agricultural Marketing Service, may  
17 enter into 1 or more agreements pursuant to sec-  
18 tions 1535 and 1536 of title 31, United States Code,  
19 with—

20           “(A) the head of a field-based agency of  
21 the Department of Agriculture, as determined  
22 by the Secretary, to carry out such purposes  
23 and functions of the Program as the Secretary  
24 considers appropriate; or

1           “(B) a cooperative extension service to pro-  
2           vide technical assistance and outreach under  
3           the program to eligible entities and eligible  
4           partners.

5           “(2) INDIRECT COSTS.—An agreement entered  
6           into under paragraph (1)(B) shall not be subject to  
7           any indirect costs, unless the agreement expressly  
8           provides that it is subject to indirect costs.

9           “(g) INTERDEPARTMENTAL COORDINATION.—In car-  
10          rying out the Program, to the maximum extent prac-  
11          ticable, the Secretary shall ensure coordination among  
12          Federal agencies.

13          “(h) EVALUATION.—

14                 “(1) IN GENERAL.—Using amounts made avail-  
15                 able under subsection (i)(4), the Secretary shall con-  
16                 duct an evaluation of the Program that—

17                         “(A) measures the economic impact of the  
18                         Program on new and existing market outcomes;

19                         “(B) measures the effectiveness of the Pro-  
20                         gram in improving and expanding—

21                                 “(i) the regional food economy  
22                                 through public and private partnerships;

23                                 “(ii) the production of value-added ag-  
24                                 ricultural products;

1                   “(iii) producer-to-consumer mar-  
2                   keting, including direct producer-to-con-  
3                   sumer marketing;

4                   “(iv) local and regional food systems,  
5                   including regional food chain coordination  
6                   and business development;

7                   “(v) new business opportunities and  
8                   marketing strategies to reduce on-farm  
9                   food waste;

10                  “(vi) the use of new technologies in  
11                  producer-to-consumer marketing, including  
12                  direct producer-to-consumer marketing;  
13                  and

14                  “(vii) the workforce and capacity of  
15                  regional food systems; and

16                  “(C) provides a description of—

17                         “(i) each partnership agreement; and

18                         “(ii) each grant provided under sub-  
19                         section (d).

20                  “(2) REPORT.—Not later than 3 years after the  
21                  date of enactment of this section, the Secretary shall  
22                  submit to the Committee on Agriculture of the  
23                  House of Representatives and the Committee on Ag-  
24                  riculture, Nutrition, and Forestry of the Senate a  
25                  report describing the evaluation conducted under

1 paragraph (1), including a thorough analysis of the  
2 outcomes of the evaluation.

3 “(i) FUNDING.—

4 “(1) MANDATORY FUNDING.—Of the funds of  
5 the Commodity Credit Corporation, the Secretary  
6 shall use to carry out this section \$80,000,000 for  
7 each of fiscal years 2018 through 2022, to remain  
8 available until expended.

9 “(2) AUTHORIZATION OF APPROPRIATIONS.—

10 There is authorized to be appropriated to carry out  
11 this section \$20,000,000 for each of fiscal years  
12 2018 through 2022, to remain available until ex-  
13 pended.

14 “(3) USE OF FUNDS.—

15 “(A) PRODUCERS.—

16 “(i) IN GENERAL.—Subject to clause  
17 (ii), of the funds made available to carry  
18 out this section for a fiscal year, 35 per-  
19 cent shall be used for grants under sub-  
20 section (d) provided to eligible entities de-  
21 scribed in subparagraphs (A) through (C)  
22 of subsection (a)(4).

23 “(ii) MAJORITY-CONTROLLED PRO-  
24 DUCER-BASED BUSINESS VENTURES.—The  
25 total amount of grants under subsection



1 (d) provided to majority-controlled pro-  
2 ducer-based business ventures for a fiscal  
3 year shall not exceed 10 percent of the  
4 amount reserved under clause (i).

5 “(B) REGIONAL PARTNERSHIPS.—Of the  
6 funds made available to carry out this section  
7 for a fiscal year, 10 percent shall be used to  
8 enter into partnership agreements.

9 “(C) UNOBLIGATED FUNDS.—Any funds  
10 reserved under subparagraph (A) or (B) that  
11 are not obligated for the uses described in that  
12 subparagraph, as applicable, by September 30  
13 of the fiscal year for which the funds were  
14 made available—

15 “(i) shall be available to carry out any  
16 function of the Program; and

17 “(ii) may carry over to the next fiscal  
18 year.

19 “(4) ADMINISTRATIVE EXPENSES.—Not greater  
20 than 8 percent of amounts made available to carry  
21 out this section for a fiscal year may be used for ad-  
22 ministrative expenses.”.

1 **SEC. 3. FOOD SAFETY OUTREACH PROGRAM.**

2 (a) ELIGIBILITY AND PROJECT PRIORITIES.—Section  
3 405 of the Agricultural Research, Extension, and Edu-  
4 cation Reform Act of 1998 (7 U.S.C. 7625) is amended—

5 (1) by striking subsection (c) and inserting the  
6 following new subsection:

7 “(c) PROJECT PRIORITIES.—In awarding grants  
8 under this section, the Secretary shall give priority to the  
9 following types of projects:

10 “(1) A project that targets small and medium-  
11 sized farms, beginning farmers, socially disadvan-  
12 taged farmers, small food processors, or small fresh  
13 fruit and vegetable merchant wholesalers.

14 “(2) A project carried out in partnership with  
15 or led by a nonprofit community-based or non-gov-  
16 ernmental organization, an organization representing  
17 owners and operators of farms, small food proc-  
18 essors, or small fruit and vegetable merchant whole-  
19 salers that work with or represent the target audi-  
20 ence for the project.”; and

21 (2) in subsection (f)(1)—

22 (A) by redesignating subparagraphs (C),  
23 (D), and (E) as subparagraphs (D), (E), and  
24 (F), respectively; and

25 (B) by striking subparagraph (B) and in-  
26 serting the following new subparagraphs:

1           “(B) a Federal, State, local, or tribal agen-  
2           cy;

3           “(C) a nonprofit community-based or non-  
4           governmental organization or an organization  
5           representing owners and operators of farms,  
6           small food processors, or small fruit and vege-  
7           table merchant wholesalers that has a commit-  
8           ment to public health and expertise in admin-  
9           istering programs that contribute to food safe-  
10          ty;”.

11          (b) COORDINATION AND COOPERATION.—Section  
12 405(d) of the Agricultural Research, Extension, and Edu-  
13 cation Reform Act of 1998 (7 U.S.C. 7625(d)) is amend-  
14 ed—

15           (1) in paragraph (1), by striking “National In-  
16           tegrated Food Safety Initiative” and inserting “Ag-  
17           ricultural Marketing Service”; and

18           (2) by striking paragraph (2) and inserting the  
19           following new paragraphs:

20           “(2) CONSULTATION.—In carrying out the  
21           grant program under this section, the Secretary  
22           shall consult with the National Institute of Food and  
23           Agriculture—

24           “(A) to take into consideration applied re-  
25           search, education, and extension results; and

1           “(B) to integrate program evaluations and  
2           results into the research, education, and exten-  
3           sion agenda.

4           “(3) FOOD SAFETY APPLIED RESEARCH AGEN-  
5           DA.—In determining the applied research agenda for  
6           food safety, the Secretary shall take into consider-  
7           ation the needs articulated by participants in  
8           projects funded by the program under this section.”.

9           (c) GRANT FEATURES AND REQUIREMENTS.—Sec-  
10          tion 405(e) of the Agricultural Research, Extension, and  
11          Education Reform Act of 1998 (7 U.S.C. 7625(e)) is  
12          amended—

13                 (1) by striking paragraph (2) and inserting the  
14          following new paragraph:

15                 “(2) ENCOURAGED FEATURES.—The Secretary  
16          shall encourage projects carried out using grant  
17          funds under this section—

18                         “(A) to include co-management of food  
19                         safety, conservation systems, and ecological  
20                         health; and

21                         “(B) to be appropriate to the identified  
22                         needs of the priority target audience.”;

23                 (2) in paragraph (3)(B), by inserting before the  
24          period at the end the following: “, except that a con-  
25          tinuation grant may be approved for a project that

1 meets one of the priorities specified in subsection (c)  
2 and demonstrates positive impacts to the target au-  
3 dience from the prior funding cycle”; and

4 (3) by adding at the end the following new  
5 paragraph:

6 “(4) LIMITATION ON INDIRECT COSTS.—A re-  
7 cipient of a grant under this subsection may not use  
8 more than 20 percent on the funds provided by the  
9 grant for the indirect costs of carrying out the ini-  
10 tiatives described in paragraph (1).”.

11 (d) FUNDING.—Subsection (j) of section 405 of the  
12 Agricultural Research, Extension, and Education Reform  
13 Act of 1998 (7 U.S.C. 7625) is amended to read as fol-  
14 lows:

15 “(j) FUNDING.—

16 “(1) MANDATORY FUNDING.—Of the funds of  
17 the Commodity Credit Corporation, the Secretary  
18 shall use to carry out this section \$20,000,000 for  
19 each of fiscal years 2018 through 2022.

20 “(2) LIMITATION ON ADMINISTRATIVE EX-  
21 PENSES.—Not more than 5 percent of the total  
22 amount made available to carry out this section for  
23 a fiscal year may be used for administrative ex-  
24 penses.”.

1 (e) CROSS-REFERENCE AND TECHNICAL CORREC-  
2 TION.—Section 405(a) of the Agricultural Research, Ex-  
3 tension, and Education Reform Act of 1998 (7 U.S.C.  
4 7625(a)) is amended—

5 (1) by inserting “(known as the Food Safety  
6 Outreach Program)” after “competitive grant pro-  
7 gram”; and

8 (2) by striking “section 1011(d) of the Federal  
9 Food, Drug, and Cosmetic Act” and inserting “sec-  
10 tion 1012(d) of the Federal Food, Drug, and Cos-  
11 metic Act (21 U.S.C. 399c(d))”.

12 **SEC. 4. FOOD SAFETY COST-SHARE PROGRAM.**

13 (a) ESTABLISHMENT REQUIRED.—The Secretary of  
14 Agriculture, acting through the Administrator of the Agri-  
15 cultural Marketing Service, shall establish a national food  
16 safety cost-share program to reimburse producers and  
17 handlers of agricultural products for costs incurred in ob-  
18 taining food safety certification and in making necessary  
19 changes and upgrades to practices and equipment to im-  
20 prove food safety.

21 (b) ELIGIBILITY.—

22 (1) IN GENERAL.—Any domestic producer or  
23 handler that obtains a food safety certification may  
24 request reimbursement under the national food safe-  
25 ty cost-share program.

1           (2) LIMITATION.—A producer or handler that  
2           has successfully passed a food safety audit each year  
3           of the preceding three years is not eligible for reim-  
4           bursement.

5           (c) AMOUNT OF REIMBURSEMENT.—

6           (1) IN GENERAL.—Subject to paragraph (2),  
7           the Secretary may reimburse a producer or handler  
8           under the national food safety cost-share program  
9           for—

10                   (A) not more than 75 percent of the costs  
11                   incurred by the producer or handler in obtain-  
12                   ing food safety certification through an accred-  
13                   ited food safety certifier; and

14                   (B) not more than 50 percent of the costs  
15                   incurred by the producer or handler for changes  
16                   to agricultural practices and equipment nec-  
17                   essary to improve food safety.

18           (2) MAXIMUM AMOUNT.—The maximum  
19           amount of reimbursement provided to a producer or  
20           handler under the national food safety cost-share  
21           program shall be—

22                   (A) \$1,500 under paragraph (1)(A); and

23                   (B) \$5,000 under paragraph (1)(B).

24           (3) INCREASED PAYMENTS FOR CERTAIN PRO-  
25           DUCERS.—Notwithstanding paragraph (1), but sub-

1       ject to paragraph (2), in the case of a producer that  
2       is a limited resource, socially disadvantaged farmer  
3       or rancher, a veteran farmer or rancher (as defined  
4       in section 2501(e) of the Food, Agriculture, Con-  
5       servation, and Trade Act of 1990 (7 U.S.C.  
6       2279(e))), or a beginning farmer or rancher, the  
7       Secretary may increase the amount that would oth-  
8       erwise be provided to the producer under this sub-  
9       section—

10               (A) up to 90 percent of the cost of certifi-  
11               cation; and

12               (B) up to 75 percent of the cost of prac-  
13               tices.

14       (d) REPORTING REQUIREMENTS.—Not later than  
15       March 1 of each year, the Secretary shall submit to the  
16       Committee on Agriculture of the House of Representatives  
17       and the Committee on Agriculture, Nutrition, and For-  
18       estry of the Senate a report that describes the requests  
19       by, disbursements to, and expenditures for each State  
20       under the national food safety cost-share program during  
21       the current and previous fiscal year, including the number  
22       of producers and handlers served by the program in the  
23       previous fiscal year.

24       (e) FUNDING.—



1           (1) MANDATORY FUNDING.—Of the funds of  
2           the Commodity Credit Corporation, the Secretary  
3           shall make available to carry out the national food  
4           safety cost-share program \$10,000,000 for each of  
5           fiscal years 2018 through 2022. Such amounts shall  
6           remain available until expended.

7           (2) AUTHORIZATION OF APPROPRIATIONS.—  
8           There is authorized to be appropriated to carry out  
9           the national food safety cost-share program  
10          \$10,000,000 for each of fiscal years 2018 through  
11          2022.

12 **SEC. 5. NATIONAL ORGANIC CERTIFICATION COST-SHARE**  
13 **PROGRAM.**

14          (a) ELIMINATION OF DIRECTED DELEGATION.—Sec-  
15          tion 10606(a) of the Farm Security and Rural Investment  
16          Act of 2002 (7 U.S.C. 6523(a)) is amended by striking  
17          “(acting through the Agricultural Marketing Service)”.

18          (b) FUNDING.—Subsection (d) of section 10606 of  
19          the Farm Security and Rural Investment Act of 2002 (7  
20          U.S.C. 6523) is amended to read as follows:

21          “(d) MANDATORY FUNDING.—Of the funds of the  
22          Commodity Credit Corporation, the Secretary shall make  
23          available to carry out the national organic certification  
24          cost-share program \$11,500,000, to remain available until  
25          expended, for each of fiscal years 2018 through 2022.”.

1 **SEC. 6. LIVESTOCK, DAIRY, AND POULTRY SUPPLY CHAIN**  
2 **INFRASTRUCTURE GRANTS AND LOANS.**

3 Subtitle D of title III of the Consolidated Farm and  
4 Rural Development Act (7 U.S.C. 1981 et seq.) is amend-  
5 ed by adding at the end the following new section:

6 **“SEC. 379I. LIVESTOCK, DAIRY, AND POULTRY SUPPLY**  
7 **CHAIN INFRASTRUCTURE.**

8 “(a) IN GENERAL.—The Secretary is authorized to  
9 provide grants or make or insure loans under any of the  
10 programs authorized by this Act, the Agricultural Mar-  
11 keting Act of 1946 (7 U.S.C. 1621 et seq.), or the Rural  
12 Electrification Act of 1936 (7 U.S.C. 901 et seq.), as the  
13 Secretary determines to be appropriate, to assist farmers  
14 and rural businesses and cooperatives to maintain or in-  
15 crease the production, aggregation, processing, distribu-  
16 tion, and marketing of value-added, niche, or regionally-  
17 marketed meat, dairy, and poultry products.

18 “(b) PRIORITY.—In implementing subsection (a), the  
19 Secretary shall give priority to grants or loans that will  
20 help increase or enhance the availability and geographic  
21 distribution of State- and Department of Agriculture-in-  
22 spected small processing facilities.

23 “(c) SMALL PROCESSING FACILITY DEFINED.—In  
24 this section, the term ‘small processing facility’ means—

25 “(1) with respect to an establishment that is  
26 subject to the requirements of the Federal Meat In-

1       spection Act (21 U.S.C. 601 et seq.), a certain small  
2       establishment that is eligible to be selected under  
3       section 501(b) of such Act; or

4               “(2) a selected establishment (as defined in sec-  
5       tion 31(a) of the Poultry Products Inspection Act  
6       (21 U.S.C. 472(a))).”.

7       **SEC. 7. GEOGRAPHIC PREFERENCE AND IDENTIFICATION**  
8               **FOR SCHOOL FOOD.**

9       Section 9(j) of the Richard B. Russell National  
10      School Lunch Act (42 U.S.C. 1758(j)) is amended by  
11      striking paragraph (3) and inserting the following new  
12      paragraph:

13               “(3) allow institutions receiving funds under  
14      this Act and the Child Nutrition Act of 1966 (42  
15      U.S.C. 1771 et seq.), including the Department of  
16      Defense Fresh Fruit and Vegetable Program—

17                       “(A) to use a geographic preference for the  
18                       procurement of unprocessed agricultural prod-  
19                       ucts, both locally grown and locally raised; or

20                       “(B) to use locally grown, locally raised, or  
21                       locally caught as a product specification.”.

22      **SEC. 8. HARVESTING HEALTH PROGRAM.**

23      The Food and Nutrition Act of 2008 (7 U.S.C. 2011  
24      et seq.) is amended by adding at the end the following  
25      new section:

1 **“SEC. 30. HARVESTING HEALTH PROGRAM.**

2 “(a) IN GENERAL.—The Secretary shall, in coordina-  
3 tion with other Federal agencies, award grants to eligible  
4 entities to conduct pilot projects to demonstrate and evalu-  
5 ate the impact of produce prescription programs for low-  
6 income individuals and households.

7 “(b) PURPOSE.—The purpose of the pilot projects re-  
8 quired under this section is to demonstrate and evaluate  
9 the impact of produce prescription programs in areas with  
10 persistent poverty with respect to the following:

11 “(1) The reduction of individual and household  
12 food insecurity.

13 “(2) The support for local and regional agri-  
14 culture and economic development.

15 “(3) The increased domestic consumption of  
16 produce.

17 “(4) The reduction in health care use and asso-  
18 ciated costs.

19 “(c) ELIGIBLE ENTITY.—In this section, the term  
20 ‘eligible entity’ means—

21 “(1) an emergency feeding organization (as de-  
22 fined in section 201A of the Emergency Food Assist-  
23 ance Act of 1983 (7 U.S.C. 7501)), in partnership  
24 with—

25 “(A) a hospital;

1           “(B) a Federally-qualified health center  
2           (as such term is defined in section  
3           1905(l)(2)(B) of the Social Security Act (42  
4           U.S.C. 1396d(l)(2)(B)));

5           “(C) a hospital or clinic operated by the  
6           Department of Veterans Affairs;

7           “(D) a provider group;

8           “(2) a farmer’s market, community supported  
9           agriculture entity, cooperative, local public benefit  
10          corporation, non-profit organization, retail food store  
11          authorized under the supplemental nutrition assist-  
12          ance program;

13          “(3) a local or State government agency, in  
14          partnership with any of the entities described in sub-  
15          paragraphs (A) through (D) of paragraph (1); and

16          “(4) any of the entities described in subpara-  
17          graphs (A) through (D) of paragraph (1), in part-  
18          nership with an—

19                  “(A) emergency feeding organization;

20                  “(B) entity described in paragraph (2); or

21                  “(C) a local or State government agency.

22          “(d) DEMONSTRATION PROJECT.—To be eligible to  
23          receive a grant under this section, an eligible entity shall  
24          submit an application, at such time, in such manner, and

1 containing such information as the Secretary may require,  
2 including—

3 “(1) a description of methods for how the  
4 produce prescription program would be targeted to  
5 low-income individuals and households with existing  
6 diet-related health issues;

7 “(2) a description and plan for the screening  
8 and recruitment of low-income individuals and  
9 households with existing diet-related health issues;

10 “(3) a description of plans for the evaluation of  
11 program participants and partners focused on pur-  
12 poses described under subsection (b);

13 “(4) a description of plans for the inclusion of  
14 nutrition education opportunities for program par-  
15 ticipants;

16 “(5) a description of the program partnerships  
17 and the role of each partner in implementing and  
18 evaluating an effective program;

19 “(6) documentation of the necessary partner-  
20 ship agreements with the relevant State Medicaid  
21 agency or other appropriate entity for the purpose of  
22 evaluating the programs effectiveness in reducing  
23 health care use and associated costs; and

24 “(7) data as requested by the Secretary for  
25 purposes of analyzing the impact of the project.

1       “(e) EVALUATION.—In carrying out this section, the  
2 Secretary may enter into memorandums of understanding  
3 with Federal and States agencies and private partners to  
4 ensure the effective implementation and evaluation of the  
5 program.

6       “(f) PRODUCE PRESCRIPTION PROGRAM DEFINED.—  
7 In this section, the term ‘produce prescription program’  
8 means a program—

9               “(1) under which fresh fruits and vegetables  
10 are prescribed to individuals or households who are  
11 at-risk due to health status or income; and

12               “(2) that may provide—

13                       “(A) financial incentives for individuals de-  
14 scribed in paragraph (1) to purchase fruits and  
15 vegetables;

16                       “(B) education resources on nutrition to  
17 such individuals; and

18                       “(C) accessible locations for participants to  
19 procure fresh fruits and vegetables.

20       “(g) FUNDING.—

21               “(1) MANDATORY FUNDING.—Of the funds of  
22 the Commodity Credit Corporation, the Secretary  
23 shall use to carry out this section \$10,000,000, to  
24 remain available until expended, for each of fiscal  
25 years 2018 through 2022.

1           “(2) DISCRETIONARY FUNDING.—There is au-  
2           thorized to be appropriated to carry out this sub-  
3           section \$10,000,000 for each of fiscal years 2018  
4           through 2022.”.

5 **SEC. 9. EXTENSION OF, EXPANSION OF, AND ADDITIONAL**  
6                           **FUNDING FOR, SENIORS FARMERS’ MARKET**  
7                           **NUTRITION PROGRAM.**

8           (a) EXTENSION OF PROGRAM.—Section 4402(a) of  
9           the Farm Security and Rural Investment Act of 2002 (7  
10          U.S.C. 3007(a)) is amended to read as follows:

11          “(a) FUNDING.—

12                 “(1) MANDATORY FUNDING.—Of the funds of  
13                 the Commodity Credit Corporation, the Secretary  
14                 shall make available to carry out and expand a sen-  
15                 iors and veterans farmers’ market nutrition program  
16                 at least \$50,000,000 for each of fiscal years 2018  
17                 through 2022.

18                 “(2) DISCRETIONARY FUNDING.—There are au-  
19                 thorized to be appropriated to carry out this section  
20                 \$50,000,000 for each of fiscal years 2018 through  
21                 2022.

22                 “(3) USE OF FUNDS.—Of the funds made avail-  
23                 able to carry out this section for a fiscal year—



1           “(A) 70 percent of the funds shall be used  
2           for the benefit of program recipients who are  
3           low-income seniors; and

4           “(B) 30 percent of the funds shall be used  
5           for the benefit of program recipients who are  
6           low-income veterans.”.

7           (b) PURPOSES.—Section 4402(b)(1) of the Farm Se-  
8           curity and Rural Investment Act of 2002 (7 U.S.C.  
9           3007(b)(1)) is amended—

10           (1) by inserting “, minimally processed” after  
11           “unprepared”; and

12           (2) by inserting “and low-income veterans”  
13           after “low-income seniors”.

14           (c) ADMINISTRATIVE COSTS; UNEXPENDED  
15           FUNDS.—Section 4402 of the Farm Security and Rural  
16           Investment Act of 2002 (7 U.S.C. 3007) is amended by  
17           adding at the end the following:

18           “(g) UNEXPENDED FUNDS.—To the extent the funds  
19           made available under subsection (a) for a fiscal year are  
20           not expended in that fiscal year, the Secretary shall use  
21           such funds in a subsequent fiscal year for the same pur-  
22           pose.

23           “(h) PRIORITIES.—In providing funds made available  
24           under this section, the Secretary shall give priority to  
25           farmers’ markets that have an operational seniors and vet-

1 erans farmers’ market program and to seniors and vet-  
2 erans farmers’ market programs in historically under-  
3 served communities.

4 “(i) DEFINITIONS.—In this section:

5 “(1) LOW-INCOME.—The term ‘low-income’  
6 shall have the meaning determined by the Secretary  
7 and shall be applied equally with respect to seniors  
8 and veterans.

9 “(2) MINIMALLY PROCESSED.—The term ‘mini-  
10 mally processed’ means, with respect to a product,  
11 processing that does not fundamentally alter such  
12 product.

13 “(3) VETERAN.—The term ‘veteran’ means an  
14 individual who has served in the Armed Forces (as  
15 defined in section 101(10) of title 38 United States  
16 Code).”.

17 (d) EXPANSION TO INCLUDE VETERANS.—Section  
18 4402 of the Farm Security and Rural Investment Act of  
19 2002 (7 U.S.C. 3007) is amended by inserting “and vet-  
20 erans” after “seniors” each place it appears in the section  
21 heading and in subsections (b), (c), (d), and (f).

1 **SEC. 10. FOOD AND AGRICULTURE SERVICE LEARNING**  
2 **PROGRAM.**

3 Section 413 of the Agricultural Research, Extension,  
4 and Education Reform Act of 1998 (7 U.S.C. 7633) is  
5 amended—

6 (1) in subsection (b)(4), by inserting “, to pro-  
7 mote agricultural education, and raise awareness  
8 about the consequences of wasted food and encour-  
9 age the implementation of food recovery initiatives  
10 to reduce the quantity of wasted food” before the  
11 semicolon;

12 (2) in subsection (c)—

13 (A) in paragraph (2)—

14 (i) in subparagraph (C), by striking  
15 “and where food comes from; and” and in-  
16 serting “where food comes from, the con-  
17 sequences of food waste, and food recovery  
18 initiatives;”;

19 (ii) in subparagraph (D), by striking  
20 the period at the end and inserting “;  
21 and”;

22 (iii) by adding at the end the fol-  
23 lowing new subparagraph:

24 “(E) have the capacity to execute regional  
25 or national projects that include 2 or more  
26 States.”; and

1 (B) by adding at the end the following new  
2 paragraph:

3 “(3) RESERVATION.—The majority of the funds  
4 made available to carry out this subsection shall be  
5 reserved for projects that—

6 “(A) are larger in scale as compared to  
7 other proposed projects;

8 “(B) are national or regional in scope; and

9 “(C) include 2 or more States.”; and

10 (3) in subsection (e)(1), by striking  
11 “\$25,000,000, to remain available until expended”  
12 and inserting “\$5,000,000 for each of fiscal years  
13 2018 through 2022”.

○