

STATE OF NEW YORK

943--A

2017-2018 Regular Sessions

IN SENATE

January 5, 2017

Introduced by Sens. FUNKE, AVELLA, BROOKS -- read twice and ordered printed, and when printed to be committed to the Committee on Agriculture -- recommitted to the Committee on Agriculture in accordance with Senate Rule 6, sec. 8 -- reported favorably from said committee and committed to the Committee on Finance -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the agriculture and markets law and the tax law, in relation to the healthy options and community outreach program and to direct the empire state development corporation to establish a public awareness campaign regarding such program

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. The agriculture and markets law is amended by adding a new article 29-A to read as follows:

ARTICLE 29-A

HEALTHY OPTIONS AND COMMUNITY OUTREACH PROGRAM

Section 520. Healthy options and community outreach program.

§ 520. Healthy options and community outreach program. 1. (a) There is hereby created within the department the healthy options and community outreach program. The department shall conduct an outreach program for the purpose of expanding the number of convenience stores and small grocers offering healthy food and beverage options to at-risk communities in underserved areas. The outreach program shall also educate the public on the importance of healthy eating and the availability of healthy products in local communities.

(b) For purposes of this section, the following terms shall have the following meanings:

(i) "underserved areas" means low or moderate-income census tracts, areas of below average supermarket density or having a supermarket customer base with more than fifty percent living in low-income census

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

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1 tracts, or other areas demonstrated to have significant access limita-
2 tions to supermarkets due to travel distance, as determined by the
3 department;

4 (ii) "at-risk communities" means those areas the department of health
5 has identified as suffering from high rates of obesity, diabetes and
6 other health problems associated with limited access to nutritious foods
7 and beverages; and

8 (iii) "small grocer" means any retail establishment with less than
9 three thousand five hundred square feet where foodstuffs are regularly
10 and customarily sold in a bona fide manner for consumption off the prem-
11 ises.

12 2. The department shall identify and inform eligible convenience
13 stores and small grocers of the outreach program and the tax benefits
14 should such stores or grocers choose to participate. Participating
15 convenience stores and small grocers found to be in compliance with the
16 program shall be eligible to receive tax credits pursuant to sections
17 two hundred ten-B and six hundred six of the tax law.

18 3. The commissioner shall determine eligibility requirements for
19 participation in the program, provided, however, that such requirements
20 shall include the following:

21 (a) a participating convenience store or small grocer shall be located
22 in an underserved area and serve an at-risk community;

23 (b) a participating convenience store or small grocer shall:

24 (i) stock and sell wholesome foods, as determined by the department,
25 such as fresh fruits, vegetables, whole grain products and dairy
26 products;

27 (ii) prominently display such foods and beverages; and

28 (iii) label and promote such foods and beverages.

29 4. Applications for participation in the program shall be submitted by
30 each convenience store or small grocer seeking to participate in the
31 program, and shall be in the form and contain such information as the
32 commissioner may prescribe. The commissioner shall review all applica-
33 tions for participation in the program for eligibility and shall regis-
34 ter eligible applicants. The department shall annually visit each
35 participating convenience store or small grocer to assess each partic-
36 ipant's compliance with this section. After such visit, the commissioner
37 shall provide a certificate certifying that the registered convenience
38 store or small grocer is eligible for tax credits pursuant to this arti-
39 cle.

40 5. The department, in consultation with the empire state development
41 corporation, shall promote such program within at-risk communities
42 through educational and informational materials in print, audio, visual,
43 electronic or other media as well as public service announcements and
44 advertisements.

45 6. The department, in consultation with the empire state development
46 corporation, shall provide store owners with information on local
47 distributors including farmers' markets. The department shall also
48 provide technical assistance and training to participants including
49 guidance on store layouts and food displays.

50 7. The department may produce, make available to others for reprod-
51 uction, or contract with others to develop such materials mentioned in
52 this section as the commissioner deems appropriate. These materials
53 shall be made available to the public and for distribution in partic-
54 ipating convenience stores and small grocers.

55 8. The commissioner may make rules and regulations necessary and
56 appropriate for implementation of this section.

§ 2. Section 210-B of the tax law is amended by adding a new subdivision 53 to read as follows:

53. Credit for convenience stores and small grocers participating in the healthy options and community outreach program. (a) Allowance of credit. A taxpayer that is a convenience store or small grocer participating in the healthy options and community outreach program pursuant to section five hundred twenty of the agriculture and markets law shall be allowed a credit against the tax imposed by this article for the purchase, installation or upgrade of any refrigeration, storage or display units necessary for participation in the program. The amount of the credit shall be equal to one hundred percent of the expenditure incurred in purchasing, installing or upgrading any refrigeration, storage or display equipment.

(b) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year commencing in which the equipment is installed, upgraded or purchased.

(c) Proof of claim. The commissioner may require a qualified taxpayer to furnish proof of participation in the healthy options and community outreach program and of the cost of any purchase, upgrade, or installation in support of his or her claim for credit under this subdivision.

(d) Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subdivision for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.

§ 3. Section 606 of the tax law is amended by adding a new subsection (jjj) to read as follows:

(jjj) Credit for convenience stores and small grocers participating in the healthy options and community outreach program. (1) Allowance of credit. A taxpayer that is a convenience store or a small grocer participating in the healthy options and community outreach program pursuant to section five hundred twenty of the agriculture and markets law shall be allowed a credit against the tax imposed by this article for the purchase, installation or upgrade of any refrigeration, storage or display units necessary for participation in the program. The amount of the credit shall be equal to one hundred percent of the expenditure incurred in purchasing, installing or upgrading any refrigeration, storage or display equipment.

(2) When credit allowed. The credit provided for herein shall be allowed with respect to the taxable year commencing in which the equipment is installed, upgraded or purchased.

(3) Proof of claim. The commissioner may require a qualified taxpayer to furnish proof of participation in the healthy options and community outreach program and of the cost of any purchase, upgrade, or installation in support of his or her claim for credit under this subsection.

(4) Carryover of credit. If the amount of the credit, and carryovers of such credit, allowable under this subsection for any taxable year shall exceed the taxpayer's tax for such year, such excess amount may be carried over to the five taxable years next following the taxable year with respect to which the credit is allowed and may be deducted from the taxpayer's tax for such year or years.

§ 4. The empire state development corporation shall develop, establish and implement a public awareness campaign regarding the healthy options and community outreach program established pursuant to section 520 of the agriculture and markets law. The campaign shall include information

1 on the benefits of healthy eating and on the availability of healthy
2 foods and beverages in the local community. Such public awareness
3 campaign shall be made available to the public by any means deemed
4 appropriate by the corporation including, but not limited to, internet,
5 radio, and print advertising such as billboards and posters. The
6 campaign may also identify and recruit individuals to serve as visible,
7 public ambassadors to promote this message. The campaign may include an
8 internet website providing information on the benefits of healthy foods
9 and beverages and on the availability of such foods and beverages at
10 local convenience stores and small grocers. The campaign shall begin no
11 later than January 1, 2019.

12 § 5. This act shall take effect immediately; provided that sections
13 two and three of this act shall apply to taxable years beginning on and
14 after January 1, 2019.