STATE OF NEW YORK

584--A

2019-2020 Regular Sessions

IN SENATE

(Prefiled)

January 9, 2019

Introduced by Sens. KENNEDY, CARLUCCI, METZGER -- read twice and ordered printed, and when printed to be committed to the Committee on Corporations, Authorities and Commissions -- recommitted to the Committee on Corporations, Authorities and Commissions in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend the New York state urban development corporation act, in relation to enacting the food retail establishment subsidization for healthy communities (FRESH Communities) act

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

Section 1. Short title. This act shall be known and may be cited as the "food retail establishment subsidization for healthy communities act".

§ 2. Legislative intent. The legislature finds that the lack of access to fresh foods is a problem of growing concern in many communities across the state. Substantial increases in urban land values and rents, limited access to financing and other economic pressures have left many lower-income residents in urban and rural areas underserved by supermarkets and other food retail establishments. The resulting lack of access to a variety of fresh food retailers makes it more difficult and expensive for these residents to maintain a nutritionally balanced diet and leads to increased public health costs, dilutes the value of public assistance for food purchases, leads to greater travel times and energy expenditures to obtain fresh food, and deprives the state's farmers of markets for their products. Providing access to financial assistance for urban and rural supermarkets in underserved areas will remedy these adverse conditions, create employment opportunities and help to revitalize and stabilize currently underserved neighborhoods.

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

LBD02774-02-0

§ 3. Subdivision 1 of section 16-m of section 1 of chapter 174 of the laws of 1968, constituting the New York state urban development corporation act, is amended by adding a new paragraph (o) to read as follows:

(o) Loans, loan guarantees, interest subsidies and grants to businesses, municipalities, not-for-profit corporations or local development corporations for the purpose of attracting, maintaining or permitting the expansion of food retail establishments in underserved areas. The corporation shall consider the economic viability of the project and the potential impact on the community when evaluating applications for such loans, loan guarantees, interest subsidies and grants. The corporation shall establish performance indicators to assess the progress of the projects receiving monies pursuant to the authorization provided in this paragraph, and track and publish this information on its website. For purposes of this paragraph, "underserved areas" shall include 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 tracts, or other areas demonstrated to have significant access limitations due to travel distance, as determined by the corporation, and "food retail establishments" shall include supermarkets and other grocery retailers that operate on a self-service basis and sell a minimum percentage, as determined by the corporation, of produce, meat, poultry, seafood, baked goods and/or dairy products and which:

(i) participate in the New York grown and certified program;

(ii) accept payment from electronic benefit transfer through the supplemental nutrition assistance program and through the special supplemental nutrition program for women, infants, and children;

(iii) do not charge a membership fee; and

(iv) hire residents living within a twenty mile radius of such retail food establishment.

§ 4. This act shall take effect on the first of April next succeeding the date on which it shall have become a law; provided, however that the urban development corporation shall be immediately authorized to take any and all actions necessary to fully implement the provision of section three of this act on or before such effective date; and provided further, that the amendments to section 16-m of the urban development corporation act made by section three of this act shall not affect the expiration of such section and shall be deemed to expire therewith.