

111TH CONGRESS
1ST SESSION

H. R. 3100

To establish the Food Desert Oasis Pilot Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 2009

Mr. RUSH (for himself, Mr. DAVIS of Illinois, Mr. JOHNSON of Georgia, Ms. KILPATRICK of Michigan, Mr. CLAY, Mr. COHEN, Ms. FUDGE, Ms. NORTON, Mr. SCOTT of Virginia, Mr. LEWIS of Georgia, Mr. JACKSON of Illinois, Ms. JACKSON-LEE of Texas, Mr. CLEAVER, and Mr. CARSON of Indiana) introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committee on Agriculture, 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

A BILL

To establish the Food Desert Oasis Pilot Program, 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 “Food Desert Oasis Act of 2009”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—FOOD DESERT OASIS PILOT PROGRAM

Sec. 101. Food Desert Zones; qualified food desert businesses.

Sec. 102. Increase in rehabilitation tax credit for qualified food desert businesses.

Sec. 103. Food desert employment tax credit.

Sec. 104. Food desert tax exempt facility bonds.

TITLE II—HUNGER-FREE COMMUNITIES GRANTS EXTENSION AND ENHANCEMENT

Sec. 201. Expansion of hunger-free communities program.

TITLE III—REPORTS TO CONGRESS ON PILOT PROGRAM

Sec. 301. Reports to Congress on pilot program.

1 **TITLE I—FOOD DESERT OASIS** 2 **PILOT PROGRAM**

3 **SEC. 101. FOOD DESERT ZONES; QUALIFIED FOOD DESERT** 4 **BUSINESSES.**

5 (a) **FOOD DESERT ZONES.**—Each of the following
6 shall be treated as a separate Food Desert Zone:

7 (1) Chicago, Illinois.

8 (2) Detroit, Michigan.

9 (3) Cleveland, Ohio.

10 (4) Milwaukee, Wisconsin.

11 (5) Houston, Texas.

12 (6) Memphis, Tennessee.

13 (7) Birmingham, Alabama.

14 (8) San Antonio, Texas.

15 (9) Kansas City, Missouri.

16 (10) Indianapolis, Indiana.

17 (11) Baltimore, Maryland

- 1 (12) Atlanta, Georgia.
- 2 (13) Richmond, Virginia.
- 3 (14) Los Angeles, California.
- 4 (15) Cincinnati, Ohio.
- 5 (16) St. Louis, Missouri.
- 6 (17) Nashville, Tennessee.
- 7 (18) District of Columbia.
- 8 (19) Philadelphia, Pennsylvania.
- 9 (20) New Orleans, Louisiana.

10 (b) QUALIFIED FOOD DESERT BUSINESS.—For pur-
11 poses of this Act, the term “qualified food desert busi-
12 ness” means any taxpayer for any taxable year if such
13 taxpayer—

14 (1) is in the trade or business of selling prod-
15 ucts at wholesale or retail, and

16 (2) at least 25 percent of such taxpayer’s gross
17 receipts from such trade or business are derived
18 from the sale of fresh fruits and vegetables.

19 For purposes of this subsection, all persons treated as a
20 single employer under subsection (b), (c), (m), or (o) of
21 section 414 of the Internal Revenue Code of 1986 shall
22 be treated as 1 taxpayer.

1 **SEC. 102. INCREASE IN REHABILITATION TAX CREDIT FOR**
 2 **QUALIFIED FOOD DESERT BUSINESSES.**

3 (a) IN GENERAL.—In the case of qualified rehabilita-
 4 tion expenditures (as defined in section 47(c) of the Inter-
 5 nal Revenue Code of 1986) paid or incurred by a qualified
 6 food desert business during the period beginning on the
 7 date of the enactment of this Act and ending on December
 8 31, 2012, with respect to any qualified building, sub-
 9 section (a) of section 47 of such Code (relating to rehabili-
 10 tation credit) shall be applied—

11 (1) by substituting “13 percent” for “10 per-
 12 cent” in paragraph (1) thereof, and

13 (2) by substituting “26 percent” for “20 per-
 14 cent” in paragraph (2) thereof.

15 (b) QUALIFIED BUILDING.—For purposes of this sec-
 16 tion, the term “qualified building” means any qualified re-
 17 habilitated building or certified historic structure (as de-
 18 fined in section 47(c) of such Code) which—

19 (1) is located in a Food Desert Zone, and

20 (2) is used by the qualified food desert business
 21 in carrying on the trade or business referred to in
 22 section 101(b).

23 **SEC. 103. FOOD DESERT EMPLOYMENT TAX CREDIT.**

24 (a) IN GENERAL.—Subject to the modifications in
 25 subsection (b), a Food Desert Zone shall be treated as
 26 an empowerment zone for purposes of section 1396 of the

1 Internal Revenue Code of 1986 with respect to wages paid
2 or incurred after the date of the enactment of this Act
3 and before December 31, 2015.

4 (b) MODIFICATIONS.—In applying section 1396 of
5 such Code to Food Desert Zones, only qualified food
6 desert businesses shall be treated as employers.

7 **SEC. 104. FOOD DESERT TAX EXEMPT FACILITY BONDS.**

8 (a) IN GENERAL.—For purposes of the Internal Rev-
9 enue Code of 1986, any qualified food desert bond shall
10 be treated as an exempt facility bond.

11 (b) QUALIFIED FOOD DESERT BOND.—For purposes
12 of this section, the term “qualified food desert bond”
13 means any bond issued as part of an issue if—

14 (1) 95 percent or more of the net proceeds (as
15 defined in section 150(a)(3) of such Code) of such
16 issue are to be used for qualified project costs,

17 (2) such bond is issued by the State (or any po-
18 litical subdivision thereof) in which the property re-
19 ferred to in subsection (d) is located,

20 (3) such bond is designated for purposes of this
21 section by—

22 (A) in the case of a bond which is required
23 under State law to be approved by the bond
24 commission of such State, such bond commis-
25 sion, and

1 (B) in the case of any other bond, the Gov-
2 ernor of such State,

3 (4) such bond is issued after the date of the en-
4 actment of this section and before January 1, 2016,
5 and

6 (5) no portion of the proceeds of such issue is
7 to be used to provide any property described in sec-
8 tion 144(c)(6)(B) of such Code.

9 (c) LIMITATIONS ON BONDS.—

10 (1) AGGREGATE AMOUNT DESIGNATED.—The
11 maximum aggregate face amount of bonds which
12 may be designated under this section with respect to
13 any Food Desert Zone shall not exceed \$20,000,000.

14 (2) MOVABLE PROPERTY.—No bonds shall be
15 issued which are to be used for movable fixtures and
16 equipment.

17 (d) QUALIFIED PROJECT COSTS.—For purposes of
18 this section, the term “qualified project costs” means the
19 cost of acquisition, construction, reconstruction, or renova-
20 tion of nonresidential real property (including fixed im-
21 provements associated with such property) which—

22 (1) is located in a Food Desert Zone, and

23 (2) is used by a qualified food desert business
24 in carrying on the trade or business referred to in
25 section 101(b).

1 (e) APPLICATION OF CERTAIN RULES.—For pur-
 2 poses of this section, rules similar to the rules of para-
 3 graphs (5) and (6) of section 1400N(a) of such Code shall
 4 apply.

5 **TITLE II—HUNGER-FREE COM-**
 6 **MUNITIES GRANTS EXTEN-**
 7 **SION AND ENHANCEMENT**

8 **SEC. 201. EXPANSION OF HUNGER-FREE COMMUNITIES**
 9 **PROGRAM.**

10 Section 4405 of the Food, Conservation, and Energy
 11 Act of 2008 (7 U.S.C. 7017) is amended—

12 (1) in subsection (b)(1)(B) by inserting “, ex-
 13 cept that for fiscal years 2010 through 2015 the
 14 Federal share shall be 100 percent of the cost of
 15 carrying out such activity in a Food Desert Zone (as
 16 specified in section 101(a) of the Food Desert Oasis
 17 Act of 2009)” before the period at the end, and

18 (2) in subsection (e) by striking “2012” and in-
 19 serting “2015”.

20 **TITLE III—REPORTS TO**
 21 **CONGRESS ON PILOT PROGRAM**

22 **SEC. 301. REPORTS TO CONGRESS ON PILOT PROGRAM.**

23 (a) IN GENERAL.—The Secretary of the Treasury, in
 24 consultation with such other Federal officials as the Sec-
 25 retary determines appropriate, shall annually submit a

1 written report to Congress regarding the Food Desert
2 Oasis Pilot Program established under title I.

3 (b) CONTENTS OF REPORT.—Such report shall in-
4 clude—

5 (1) an analysis of any increases or decreases in
6 the health of the residents of the Food Desert
7 Zones, and

8 (2) the effect of title I on the level of invest-
9 ment in the Food Desert Zones.

10 (c) TIMING OF REPORTS.—The first report under
11 subsection (a) shall be made not later than December 31,
12 2011 and shall cover the period ending on December 31,
13 2010. The last such report under subsection (a) shall be
14 made not later than December 31, 2016 and shall cover
15 the period ending on December 31, 2015.

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