

115TH CONGRESS
1ST SESSION

S. 1947

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

IN THE SENATE OF THE UNITED STATES

OCTOBER 5, 2017

Mr. BROWN introduced the following bill; which was read twice and referred to the Committee on Agriculture, Nutrition, and Forestry

A BILL

To improve food safety, to encourage greater production of agricultural commodities for use in the locality of production, to reauthorize and expand Department of Agriculture support of those 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”.

7 (b) **TABLE OF CONTENTS.**—The table of contents for
8 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. Seniors farmers' market nutrition program.
- Sec. 10. Food and agriculture service learning program.

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

3 (a) PURPOSE.—The purpose of this section is to com-
 4 bine the purposes and coordinate the functions of—

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

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

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

17 **“SEC. 210A. AGRICULTURAL MARKET DEVELOPMENT PRO-**
 18 **GRAM.**

19 “(a) DEFINITIONS.—In this section:

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

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

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

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

18 “(A) an independent producer;

19 “(B) an agricultural producer group, net-
 20 work, or association, including a community
 21 supported agriculture network or association;

22 “(C) a farmer or rancher cooperative,
 23 other agricultural business entity, or majority-
 24 controlled producer-based business venture;

25 “(D) a food council;

1 “(E) a State or local government;

2 “(F) a Tribal government or Tribal gov-
3 ernment agency;

4 “(G) a nonprofit corporation;

5 “(H) an institution of higher education;

6 “(I) a public benefit corporation;

7 “(J) an economic development corporation;

8 and

9 “(K) a regional farmers’ market authority.

10 “(5) ELIGIBLE PARTNER.—The term ‘eligible
11 partner’ means—

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

13 “(B) a philanthropic organization;

14 “(C) a private corporation;

15 “(D) a commercial, Federal, or Farm
16 Credit System lending institution; and

17 “(E) another entity, as determined by the
18 Secretary.

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

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

1 “(A) represents multiple organizations;

2 “(B) may be—

3 “(i) sanctioned by a local or State
4 government; or

5 “(ii) independent of government; and

6 “(C) addresses food and farm-related
7 issues and needs within city, county, State,
8 Tribal region, multicounty region, or other re-
9 gion designated by the food council or food sys-
10 tem network.

11 “(8) INDEPENDENT PRODUCER.—

12 “(A) IN GENERAL.—The term ‘inde-
13 pendent producer’ means an agricultural pro-
14 ducer who owns and controls an agricultural
15 product produced.

16 “(B) INCLUSION.—The term ‘independent
17 producer’ means a legal entity solely owned and
18 controlled by agricultural producers if the entity
19 owns a majority ownership interest in the agri-
20 cultural operation of the entity and a signifi-
21 cant share of the agricultural product produced.

22 “(9) MAJORITY-CONTROLLED PRODUCER-BASED
23 BUSINESS VENTURE.—

24 “(A) IN GENERAL.—The term ‘majority-
25 controlled producer-based business venture’

1 means a venture greater than 50 percent of the
 2 ownership and control of which is held by—

3 “(i) 1 or more independent producers;

4 or

5 “(ii) 1 or more entities described in
 6 subparagraph (B), 100 percent of the own-
 7 ership and control of which is held by 1 or
 8 more independent producers.

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

11 “(i) a partnership;

12 “(ii) a limited liability corporation;

13 “(iii) a limited liability partnership;

14 “(iv) a corporation; and

15 “(v) a cooperative.

16 “(10) MID-TIER VALUE CHAIN.—The term
 17 ‘mid-tier value chain’ has the meaning given the
 18 term in section 231(a) of the Agricultural Risk Pro-
 19 tection Act of 2000 (7 U.S.C. 1632a(a)).

20 “(11) PARTNERSHIP AGREEMENT.—The term
 21 ‘partnership agreement’ means an agreement en-
 22 tered into under subsection (c).

23 “(12) PROGRAM.—The term ‘Program’ means
 24 the Agricultural Market Development Program es-
 25 tablished under subsection (b).

1 “(13) REGIONAL FOOD CHAIN COORDINA-
 2 TION.—The term ‘regional food chain coordination’
 3 means coordination and collaboration along the sup-
 4 ply chain, including activities that—

5 “(A) identify and organize local food pro-
 6 ducers and entrepreneurs into entities that are
 7 able to deliver local and regional food products
 8 into local markets;

9 “(B) provide market matchmaker services
 10 by identifying and connecting key stakeholders
 11 through referral services and other forms of
 12 short-term engagement;

13 “(C) convene stakeholders and facilitate
 14 relationship-building across the food value chain
 15 by—

16 “(i) engaging key stakeholders;

17 “(ii) maintaining communication
 18 channels; and

19 “(iii) fostering a trusting environ-
 20 ment;

21 “(D) work with supply chain members to
 22 build capacity through education and training
 23 programs for—

24 “(i) business development practices;

25 “(ii) marketing and branding; and

1 “(iii) other similar activities;

2 “(E) identify and work to remove barriers
3 to the movement of local and regional food
4 products into the marketplace;

5 “(F) increase awareness about procure-
6 ment requirements, such as bidding procedures
7 and preferred-vender practices, that may im-
8 pede the ability of the food chain to access cer-
9 tain marketing channels;

10 “(G) provide technical assistance to pro-
11 ducers and enterprises in the preparation of
12 grant and loan applications to promote the pur-
13 poses described in section 2(a) of the Local
14 Food and Regional Market Supply Act; and

15 “(H) coordinate with State and local gov-
16 ernment agencies to enhance supply chain co-
17 ordination and build on existing efforts to de-
18 velop regional food systems.

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

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

1 “(16) VALUE-ADDED AGRICULTURAL PROD-
 2 UCT.—The term ‘value-added agricultural product’
 3 has the meaning given the term in section 231(a) of
 4 the Agricultural Risk Protection Act of 2000 (7
 5 U.S.C. 1632a(a)).

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

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

14 “(1) streamlines existing programs and oper-
 15 ations in accordance with section 2(a) of the Local
 16 Food and Regional Market Supply Act to more effi-
 17 ciently and effectively support the development, co-
 18 ordination, and expansion of—

19 “(A) direct producer-to-consumer mar-
 20 keting;

21 “(B) local and regional food markets and
 22 enterprises; and

23 “(C) value-added agricultural products;

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

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

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

7 “(5) improves income and economic opportuni-
8 ties for producers and food businesses through job
9 creation and improved regional food system infra-
10 structure; and

11 “(6) simplifies the application processes and the
12 reporting processes for the Program.

13 “(c) REGIONAL PARTNERSHIPS.—

14 “(1) PARTNERSHIP AGREEMENTS.—

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

21 “(B) PARTIES TO PARTNERSHIP AGREE-
22 MENTS.—The Secretary shall enter into a part-
23 nership agreement with—

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

25 “(ii) 1 or more eligible entities.

1 “(C) GEOGRAPHICAL DIVERSITY.—To the
 2 maximum extent practicable, the Secretary shall
 3 ensure geographical diversity in selecting part-
 4 nership agreements.

5 “(2) LENGTH OF AGREEMENT.—

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

9 “(B) EXTENSION.—Notwithstanding sub-
 10 paragraph (A), the Secretary may extend a
 11 partnership agreement 1 time for not longer
 12 than 1 year if the Secretary determines that the
 13 extension is necessary to properly complete 1 or
 14 more eligible activities.

15 “(3) TERMS OF PARTNERSHIP.—

16 “(A) IN GENERAL.—Under a partnership
 17 agreement, the eligible partner and the eligible
 18 entity shall—

19 “(i) determine the scope of the re-
 20 gional food system to be developed, includ-
 21 ing goals, outreach objectives, and eligible
 22 activities to be carried out;

23 “(ii) determine the local, regional,
 24 State, multi-State, or other geographic
 25 area covered;

1 “(iii) create and conduct a feasibility
2 study, implementation plan, and assess-
3 ment of eligible activities under the part-
4 nership agreement;

5 “(iv) conduct outreach and education
6 to other eligible entities and eligible part-
7 ners for potential participation in the part-
8 nership agreement and eligible activities;

9 “(v) at the request of a producer or
10 eligible entity desiring to participate in eli-
11 gible activities under the partnership
12 agreement, act on behalf of the producer
13 or eligible entity in applying for a grant
14 under subsection (d);

15 “(vi) monitor, evaluate, and periodi-
16 cally report to the Secretary on progress
17 made toward achieving the objectives of el-
18 igible activities under the partnership
19 agreement; and

20 “(vii) at the conclusion of the partner-
21 ship agreement, submit to the Secretary a
22 report describing—

23 “(I) the results and effects of the
24 partnership agreement; and

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

3 “(B) CONTRIBUTION.—An eligible partner
4 shall provide funding for a significant portion
5 (as determined by the Secretary) of the total
6 cost of eligible activities under the partnership
7 agreement.

8 “(4) APPLICATIONS.—

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

16 “(B) COMPETITIVE PROCESS.—The Sec-
17 retary—

18 “(i) shall conduct a competitive proc-
19 ess to select applications submitted under
20 subparagraph (A);

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

23 “(iii) shall make public the criteria to
24 be used in evaluating applications prior to
25 accepting applications.

1 “(C) CONTENT.—An application submitted
2 to the Secretary under subparagraph (A) shall
3 include a description of—

4 “(i) the scope of the regional food sys-
5 tem to be developed, including goals, out-
6 reach objectives, and eligible activities to
7 be carried out;

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

10 “(iii) a plan for each of—

11 “(I) the feasibility study, imple-
12 mentation plan, and assessment de-
13 scribed in paragraph (3)(A)(iii);

14 “(II) the outreach and education
15 described in paragraph (3)(A)(iv); and

16 “(III) the monitoring, evaluating,
17 and reporting described in paragraph
18 (3)(A)(vi);

19 “(iv) the projected financials and
20 budget for eligible activities, including esti-
21 mated funding needed from the Secretary
22 through grants under subsection (d); and

23 “(v) a list of each eligible partner and
24 each eligible entity collaborating to achieve
25 the objectives of the partnership agree-

1 ment, including the roles, responsibilities,
 2 capabilities, and financial contribution of
 3 each eligible partner and each eligible enti-
 4 ty.

5 “(D) PRIORITY TO CERTAIN APPLICA-
 6 TIONS.—The Secretary may give priority to ap-
 7 plications submitted under subparagraph (A)
 8 that—

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

11 “(II) coordinate with other local,
 12 State, or national efforts;

13 “(ii) plan to create or retain quality
 14 jobs and provide workforce training and
 15 development in the regional food system
 16 developed under the partnership agree-
 17 ment;

18 “(iii) adapt to regional community
 19 needs and demonstrate the inclusion of cul-
 20 tural differences that support food equity;

21 “(iv) support community and regional
 22 economic development, particularly—

23 “(I) in rural areas; or

1 “(II) such development that
2 strengthens rural and urban connec-
3 tions;

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

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

11 “(vii) use producer controlled busi-
12 nesses and cooperative ownership models;

13 “(viii) cover an area located in dis-
14 tressed low-income rural and urban com-
15 munities, including areas with persistent
16 poverty;

17 “(ix) demonstrate consistency with ex-
18 isting regional economic or community de-
19 velopment plans for the area to be served
20 by eligible activities; and

21 “(x) meet other factors that are im-
22 portant for achieving the purposes of the
23 Program described in subsection (b), as de-
24 termined by the Secretary.

25 “(d) DEVELOPMENT GRANTS.—

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

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

8 “(A) to support and promote—

9 “(i) domestic direct producer-to-con-
 10 sumer marketing;

11 “(ii) farmers’ markets;

12 “(iii) roadside stands;

13 “(iv) agritourism activities,

14 “(v) community-supported agriculture
 15 programs; or

16 “(vi) online sales;

17 “(B) to support local and regional food
 18 business enterprises that engage as inter-
 19 mediaries in indirect producer-to-consumer
 20 marketing;

21 “(C) to support the processing, aggrega-
 22 tion, distribution, and storage of local and re-
 23 gional food products that are marketed locally
 24 or regionally;

1 “(D) to encourage the development of new
2 food products and value-added agricultural
3 products;

4 “(E) to assist with business development
5 and feasibility studies;

6 “(F) to develop marketing strategies for
7 producers of local food products and value-
8 added agricultural products in new and existing
9 markets;

10 “(G) to facilitate regional food chain co-
11 ordination and mid-tier value chain develop-
12 ment;

13 “(H) to promote new business opportuni-
14 ties and marketing strategies to reduce on-farm
15 food waste; or

16 “(I) to respond to changing technology
17 needs in direct producer-to-consumer mar-
18 keting.

19 “(3) CRITERIA AND GUIDELINES.—The Sec-
20 retary shall establish such criteria and guidelines for
21 the submission, evaluation, and funding of proposed
22 projects under the Program as the Secretary deter-
23 mines are appropriate.

1 “(4) PRIORITIES.—The Secretary may give pri-
2 ority to applications submitted under paragraph (3)
3 that—

4 “(A) are applied for by, or serve—

5 “(i) beginning farmers or ranchers;

6 “(ii) socially disadvantaged farmers or
7 ranchers;

8 “(iii) operators of small or medium
9 sized farms or ranches that are structured
10 as family farms; or

11 “(iv) veteran farmers or ranchers;

12 “(B) benefit underserved communities, in-
13 cluding communities that are located in areas of
14 concentrated poverty with limited access to
15 fresh locally or regionally grown food; or

16 “(C)(i) are applied for by an eligible entity
17 participating in a partnership agreement; and

18 “(ii) carry out eligible activities under the
19 partnership agreement.

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

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

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

5 “(e) SIMPLIFICATION OF APPLICATION AND REPORT-
 6 ING PROCESSES.—

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

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

10 “(B) establish a simplified application
 11 form for eligible entities that request less than
 12 \$50,000 under that subsection.

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

14 “(A) streamline and simplify the reporting
 15 process for eligible entities; and

16 “(B) obtain from eligible entities and
 17 maintain such information as the Secretary de-
 18 termines is necessary to administer and evalu-
 19 ate the Program.

20 “(f) ECONOMY ACT AGREEMENTS.—

21 “(1) IN GENERAL.—In carrying out the Pro-
 22 gram, the Secretary, acting through the Adminis-
 23 trator of the Agricultural Marketing Service, may
 24 enter into 1 or more agreements pursuant to sec-

1 tions 1535 and 1536 of title 31, United States Code,
2 with—

3 “(A) the head of a field-based agency of
4 the Department of Agriculture, as determined
5 by the Secretary, to carry out such purposes
6 and functions of the Program as the Secretary
7 considers appropriate; or

8 “(B) a cooperative extension service to pro-
9 vide Program technical assistance and outreach
10 to eligible entities and eligible partners.

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

15 “(g) INTERDEPARTMENTAL COORDINATION.—In car-
16 rying out the Program, to the maximum extent prac-
17 ticable, the Secretary shall ensure coordination among
18 Federal agencies.

19 “(h) EVALUATION.—

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

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

“(B) measures the effectiveness of the Program in improving and expanding—

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

“(ii) the production of value-added agricultural products;

“(iii) producer-to-consumer marketing, including direct producer-to-consumer marketing;

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

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

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

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

“(C) provides a description of—

“(i) each partnership agreement; and

“(ii) each grant provided under subsection (d).

1 “(2) REPORT.—Not later than 3 years after the
 2 date of enactment of this section, the Secretary shall
 3 submit to the Committee on Agriculture of the
 4 House of Representatives and the Committee on Ag-
 5 riculture, Nutrition, and Forestry of the Senate a
 6 report describing the evaluation conducted under
 7 paragraph (1), including a thorough analysis of the
 8 outcomes of the evaluation.

9 “(i) FUNDING.—

10 “(1) MANDATORY FUNDING.—Of the funds of
 11 the Commodity Credit Corporation, the Secretary
 12 shall use to carry out this section \$80,000,000 for
 13 each of fiscal years 2018 through 2022, to remain
 14 available until expended.

15 “(2) AUTHORIZATION OF APPROPRIATIONS.—
 16 There is authorized to be appropriated to carry out
 17 this section \$20,000,000 for each of fiscal years
 18 2018 through 2022, to remain available until ex-
 19 pended.

20 “(3) USE OF FUNDS.—

21 “(A) PRODUCERS.—

22 “(i) IN GENERAL.—Subject to clause
 23 (ii), of the funds made available to carry
 24 out this section for a fiscal year, 35 per-
 25 cent shall be used for grants under sub-

1 section (d) provided to eligible entities de-
 2 scribed in subparagraphs (A) through (C)
 3 of subsection (b)(3).

4 “(ii) MAJORITY-CONTROLLED PRO-
 5 DUCER-BASED BUSINESS VENTURES.—The
 6 total amount of grants under subsection
 7 (d) provided to majority-controlled pro-
 8 ducer-based business ventures for a fiscal
 9 year shall not exceed 10 percent of the
 10 amount reserved under clause (i).

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

15 “(C) UNOBLIGATED FUNDS.—Any funds
 16 reserved under subparagraph (A) or (B) that
 17 are not obligated for the uses described in that
 18 subparagraph, as applicable, by September 30
 19 of the fiscal year for which the funds were
 20 made available—

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

23 “(ii) may carry over to the next fiscal
 24 year.

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

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

6 (a) IN GENERAL.—Section 405 of the Agricultural
7 Research, Extension, and Education Reform Act of 1998
8 (7 U.S.C. 7625) is amended—

9 (1) by striking subsection (c) and inserting the
10 following:

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

14 “(1) A project that targets small- and medium-
15 sized farms, beginning farmers, socially disadvan-
16 taged farmers, small food processors, or small fresh
17 fruit and vegetable merchant wholesalers.

18 “(2) A project carried out in partnership with
19 or led by an organization described in subsection
20 (f)(1)(C) that works with or represents the target
21 audience for the project.”; and

22 (2) in subsection (f)(1)—

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

(B) by striking subparagraph (B) and inserting the following:

“(B) a Federal, State, local, or Tribal agency;

“(C) a nonprofit community-based or non-governmental organization or an organization representing owners and operators of farms, small food processors, or small fruit and vegetable merchant wholesalers that has a commitment to public health and expertise in administering programs that contribute to food safety;”.

(b) COORDINATION AND COOPERATION.—Section 405(d) of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7625(d)) is amended—

(1) in paragraph (1), by striking “National Integrated Food Safety Initiative” and inserting “Agricultural Marketing Service”; and

(2) by striking paragraph (2) and inserting the following:

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

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

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

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

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

15 (1) by striking paragraph (2) and inserting the
16 following:

17 “(2) ENCOURAGED FEATURES.—The Secretary
18 shall encourage a project carried out using grant
19 funds under this section—

20 “(A) to include comanagement of food
21 safety, conservation systems, and ecological
22 health; and

23 “(B) to be appropriate to the identified
24 needs of the priority target audience of the
25 project.”;

1 (2) in paragraph (3)(B)—

2 (A) by striking “The Secretary” and in-
3 serting the following:

4 “(i) IN GENERAL.—Except as pro-
5 vided in clause (ii), the Secretary”; and

6 (B) by adding at the end the following:

7 “(ii) CONTINUATION GRANT.—The
8 Secretary may approve a continuation
9 grant for a project to receive funding
10 under this section after the entity carrying
11 out the project has received 3 years of
12 grant funding under this section if the
13 project—

14 “(I) meets 1 or more of the pri-
15 orities specified in subsection (c); and

16 “(II) demonstrates a positive im-
17 pact on the target audience from
18 funding received for the prior funding
19 cycle.”; and

20 (3) by adding at the end the following:

21 “(4) LIMITATION ON INDIRECT COSTS.—A re-
22 cipient of a grant under this section may not use
23 more than 20 percent of the grant funds for the in-
24 direct costs (as determined by the Secretary) of car-
25 rying out projects described in paragraph (1).”.

1 (d) FUNDING.—Section 405 of the Agricultural Re-
 2 search, Extension, and Education Reform Act of 1998 (7
 3 U.S.C. 7625) is amended by striking subsection (j) and
 4 inserting the following:

5 “(j) FUNDING.—

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

10 “(2) LIMITATION ON ADMINISTRATIVE EX-
 11 PENSES.—Not more than 5 percent of the total
 12 amount made available to carry out this section for
 13 a fiscal year may be used for administrative ex-
 14 penses.”.

15 (e) TECHNICAL CORRECTIONS.—Section 405(a) of
 16 the Agricultural Research, Extension, and Education Re-
 17 form Act of 1998 (7 U.S.C. 7625(a)) is amended—

18 (1) by striking “section 1011(d) of the Federal
 19 Food, Drug, and Cosmetic Act” and inserting “sec-
 20 tion 1012(d) of the Federal Food, Drug, and Cos-
 21 metic Act (21 U.S.C. 399c(d)) (commonly known as
 22 the ‘Food Safety Outreach Program’)”; and

23 (2) by striking “such section” and inserting
 24 “that subsection”.

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

2 Subtitle A of the Agricultural Marketing Act of 1946
3 (7 U.S.C. 1621 et seq.) (as amended by section 2(b)) is
4 amended by adding at the end the following:

5 **“SEC. 210B. FOOD SAFETY COST-SHARE PROGRAM.**

6 “(a) IN GENERAL.—The Secretary of Agriculture,
7 acting through the Administrator of the Agricultural Mar-
8 keting Service (referred to in this section as the ‘Sec-
9 retary’) shall establish a national food safety cost-share
10 program (referred to in this section as the ‘program’)
11 under which the Secretary shall reimburse producers and
12 handlers of agricultural products for costs incurred in—

13 “(1) obtaining food safety certification; and

14 “(2) making necessary changes and upgrades to
15 practices and equipment to improve food safety.

16 “(b) ELIGIBILITY.—

17 “(1) IN GENERAL.—Subject to paragraph (2), a
18 domestic producer or handler that obtains a food
19 safety certification from an accredited food safety
20 certifier may request reimbursement under the pro-
21 gram.

22 “(2) LIMITATION.—A producer or handler that
23 has successfully passed a food safety audit each of
24 the preceding 3 years shall not be eligible for reim-
25 bursement under the program.

26 “(c) AMOUNT OF REIMBURSEMENT.—

1 “(1) IN GENERAL.—Subject to paragraphs (2)
 2 and (3), the Secretary may reimburse a producer or
 3 handler under the program for—

4 “(A) not more than 75 percent of the costs
 5 incurred by the producer or handler in obtain-
 6 ing food safety certification through an accred-
 7 ited food safety certifier; and

8 “(B) not more than 50 percent of the costs
 9 incurred by the producer or handler for changes
 10 to agricultural practices and equipment nec-
 11 essary to improve food safety.

12 “(2) MAXIMUM AMOUNT.—The maximum
 13 amount of reimbursement provided to a producer or
 14 handler under the program shall be—

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

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

17 “(3) INCREASED PAYMENTS FOR CERTAIN PRO-
 18 DUCERS.—

19 “(A) APPLICABILITY.—This paragraph ap-
 20 plies to—

21 “(i) a limited resource farmer or
 22 rancher (as defined by the Secretary);

23 “(ii) a socially disadvantaged farmer
 24 or rancher (as defined in section 355(e) of

1 the Consolidated Farm and Rural Develop-
 2 ment Act (7 U.S.C. 2003(e));

3 “(iii) a veteran farmer or rancher (as
 4 defined in section 2501(e) of the Food, Ag-
 5 riculture, Conservation, and Trade Act of
 6 1990 (7 U.S.C. 2279(e)); and

7 “(iv) a qualified beginning farmer or
 8 rancher (as defined in section 343(a) of
 9 the Consolidated Farm and Rural Develop-
 10 ment Act (7 U.S.C. 1991(a))).

11 “(B) INCREASED FUNDING.—Subject to
 12 paragraph (2), in the case of a producer de-
 13 scribed in subparagraph (A), the Secretary may
 14 increase the amount that would otherwise be
 15 provided to the producer under this sub-
 16 section—

17 “(i) up to 90 percent of the cost of
 18 certification described in paragraph (1)(A);
 19 and

20 “(ii) up to 75 percent of the cost of
 21 practices and equipment described in para-
 22 graph (1)(B).

23 “(d) REPORTING REQUIREMENTS.—Not later than
 24 March 1 of each year, the Secretary shall submit to the
 25 Committee on Agriculture of the House of Representatives

1 and the Committee on Agriculture, Nutrition, and For-
 2 estry of the Senate a report that describes the requests
 3 by, disbursements to, and expenditures for each State
 4 under the program during the applicable and previous fis-
 5 cal year, including the number of producers and handlers
 6 served by the program in the previous fiscal year.

7 “(e) FUNDING.—

8 “(1) MANDATORY FUNDING.—Of the funds of
 9 the Commodity Credit Corporation, the Secretary
 10 shall use to carry out the program \$10,000,000 for
 11 each of fiscal years 2018 through 2022, to remain
 12 available until expended.

13 “(2) AUTHORIZATION OF APPROPRIATIONS.—
 14 There is authorized to be appropriated to carry out
 15 the program \$10,000,000 for each of fiscal years
 16 2018 through 2022.”.

17 **SEC. 5. NATIONAL ORGANIC CERTIFICATION COST-SHARE**
 18 **PROGRAM.**

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

23 (b) FUNDING.—Section 10606 of the Farm Security
 24 and Rural Investment Act of 2002 (7 U.S.C. 6523) is

1 amended by striking subsection (d) and inserting the fol-
 2 lowing:

3 “(d) **MANDATORY FUNDING.**—Of the funds of the
 4 Commodity Credit Corporation, the Secretary shall make
 5 available to carry out this section \$11,500,000 for each
 6 of fiscal years 2018 through 2022, to remain available
 7 until expended.”.

8 **SEC. 6. LIVESTOCK, DAIRY, AND POULTRY SUPPLY CHAIN**
 9 **INFRASTRUCTURE GRANTS AND LOANS.**

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

13 **“SEC. 379I. LIVESTOCK, DAIRY, AND POULTRY SUPPLY**
 14 **CHAIN INFRASTRUCTURE.**

15 “(a) **DEFINITION OF SMALL PROCESSING FACIL-**
 16 **ITY.**—In this section, the term ‘small processing facility’
 17 means—

18 “(1) with respect to an establishment that is
 19 subject to the requirements of the Federal Meat In-
 20 spection Act (21 U.S.C. 601 et seq.), a small estab-
 21 lishment that is eligible to be selected under section
 22 501(b) of that Act (21 U.S.C. 683(b)); or

23 “(2) a selected establishment (as defined in sec-
 24 tion 31(a) of the Poultry Products Inspection Act
 25 (21 U.S.C. 472(a))).

1 “(b) ASSISTANCE.—The Secretary may provide
 2 grants or make or insure loans under any of the programs
 3 authorized by this title, the Agricultural Marketing Act
 4 of 1946 (7 U.S.C. 1621 et seq.), or the Rural Electrifica-
 5 tion Act of 1936 (7 U.S.C. 901 et seq.), as the Secretary
 6 determines to be appropriate, to assist farmers and rural
 7 businesses and cooperatives to maintain or increase the
 8 production, aggregation, processing, distribution, and
 9 marketing of value-added, niche, or regionally-marketed
 10 meat, dairy, and poultry products.

11 “(c) PRIORITY.—In carrying out this section, the
 12 Secretary shall give priority to grants or loans that will
 13 help increase or enhance the availability and geographic
 14 distribution of State- and Department of Agriculture-in-
 15 spected small processing facilities.”.

16 **SEC. 7. GEOGRAPHIC PREFERENCE AND IDENTIFICATION**
 17 **FOR SCHOOL FOOD.**

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

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

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

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

6 **SEC. 8. HARVESTING HEALTH PROGRAM.**

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

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

10 “(a) DEFINITIONS.—In this section:

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

13 “(A) an emergency feeding organization
 14 (as defined in section 201A of the Emergency
 15 Food Assistance Act of 1983 (7 U.S.C. 7501)),
 16 in partnership with—

17 “(i) a hospital;

18 “(ii) a Federally-qualified health cen-
 19 ter (as defined in section 1905(l)(2) of the
 20 Social Security Act (42 U.S.C.
 21 1396d(l)(2)));

22 “(iii) a hospital or clinic operated by
 23 the Secretary of Veterans Affairs; or

24 “(iv) a health care provider group;

1 “(B) an entity authorized under the sup-
2 plemental nutrition assistance program that
3 is—

4 “(i) a farmers’ market;

5 “(ii) a community-supported agricul-
6 tural entity;

7 “(iii) a cooperative;

8 “(iv) a local public benefit corpora-
9 tion;

10 “(v) a nonprofit organization; or

11 “(vi) a retail food store;

12 “(C) a State or local government agency,
13 in partnership with an entity described in any
14 of clauses (i) through (iv) of subparagraph (A);
15 and

16 “(D) an entity described in any of clauses
17 (i) through (iv) of subparagraph (A), in part-
18 nership with—

19 “(i) an emergency feeding organiza-
20 tion (as defined in section 201A of the
21 Emergency Food Assistance Act of 1983
22 (7 U.S.C. 7501));

23 “(ii) an entity described in subpara-
24 graph (B); or

1 “(iii) a State or local government
2 agency.

3 “(2) PILOT PROJECT.—The term ‘pilot project’
4 means a pilot project described in subsection (b)(1).

5 “(3) PRODUCE PRESCRIPTION PROGRAM.—The
6 term ‘produce prescription program’ means a pro-
7 gram—

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

12 “(B) that may provide—

13 “(i) financial incentives for individuals
14 described in paragraph (1) to purchase
15 fruits and vegetables;

16 “(ii) education resources on nutrition
17 to those individuals; and

18 “(iii) accessible locations for those in-
19 dividuals to procure fresh fruits and vege-
20 tables.

21 “(b) PILOT PROJECTS.—

22 “(1) IN GENERAL.—The Secretary, in coordina-
23 tion with the heads of other appropriate Federal
24 agencies, shall award to eligible entities grants to
25 conduct pilot projects to demonstrate and evaluate

1 the impact of produce prescription programs on low-
 2 income individuals, households in areas with per-
 3 sistent poverty, and households with existing diet-re-
 4 lated health issues, including whether the produce
 5 prescription program—

6 “(A) reduces individual and household food
 7 insecurity;

8 “(B) provides support for local and re-
 9 gional agriculture and economic development;

10 “(C) increases domestic consumption of
 11 produce; and

12 “(D) reduces health care use and associ-
 13 ated costs.

14 “(2) APPLICATIONS.—An eligible entity desiring
 15 a grant under paragraph (1) shall submit to the
 16 Secretary an application at such time, in such man-
 17 ner, and containing such information as the Sec-
 18 retary may require, including—

19 “(A) a description of the methods by which
 20 the pilot project will target the produce pre-
 21 scription program to low-income individuals and
 22 households with existing diet-related health
 23 issues;

24 “(B) a description of how the pilot project
 25 will screen and recruit low-income individuals

1 and households with existing diet-related health
 2 issues;

3 “(C) a description of how the pilot project
 4 will evaluate program participants and partners
 5 with respect to the issues described in subpara-
 6 graphs (A) through (D) of paragraph (1);

7 “(D) a description of how the pilot project
 8 will provide nutrition education opportunities to
 9 participants in the produce prescription pro-
 10 gram;

11 “(E) a description of any partners of the
 12 pilot project under paragraph (3) and the role
 13 of each such partner in implementing and eval-
 14 uating an effective produce prescription pro-
 15 gram;

16 “(F) documentation of the necessary part-
 17 nership agreements with the relevant State
 18 Medicaid agency or other appropriate entity for
 19 the purpose of evaluating the effectiveness of
 20 the produce prescription program in reducing
 21 health care use and associated costs; and

22 “(G) any data requested by the Secretary
 23 to analyze the impact of the pilot project.

24 “(3) PARTNERSHIPS.—In carrying out this sec-
 25 tion, the Secretary may enter into 1 or more memo-

1 randums of understanding with Federal agencies,
 2 States, and private partners to ensure the effective
 3 implementation and evaluation of each pilot project
 4 awarded a grant under this section.

5 “(c) FUNDING.—

6 “(1) MANDATORY FUNDING.—

7 “(A) IN GENERAL.—On October 1, 2017,
 8 and on each October 1 thereafter through Octo-
 9 ber 1, 2021, out of any funds in the Treasury
 10 not otherwise appropriated, the Secretary of the
 11 Treasury shall transfer to the Secretary to
 12 carry out this section \$10,000,000, to remain
 13 available until expended.

14 “(B) RECEIPT AND ACCEPTANCE.—The
 15 Secretary shall be entitled to receive, shall ac-
 16 cept, and shall use to carry out this section the
 17 funds transferred under subparagraph (A),
 18 without further appropriation.

19 “(2) DISCRETIONARY FUNDING.—There is au-
 20 thorized to be appropriated to carry out this section
 21 \$10,000,000 for each of fiscal years 2018 through
 22 2022.”.

23 **SEC. 9. SENIORS FARMERS’ MARKET NUTRITION PROGRAM.**

24 Section 4402 of the Farm Security and Rural Invest-
 25 ment Act of 2002 (7 U.S.C. 3007) is amended—

1 (1) in the section heading, by inserting “**AND**
 2 **VETERANS**” after “**SENIORS**”;

3 (2) by redesignating subsections (b), (c), (d),
 4 (e), and (f) as subsections (c), (e), (f), (g), and (h),
 5 respectively;

6 (3) by striking subsection (a) and inserting the
 7 following:

8 “(a) **DEFINITIONS.**—In this section:

9 “(1) **LOW-INCOME.**—

10 “(A) **IN GENERAL.**—Subject to subpara-
 11 graph (B), the term ‘low-income’, with respect
 12 to seniors and veterans, shall have the meaning
 13 given the term by the Secretary.

14 “(B) **APPLICATION.**—The Secretary shall
 15 apply the definition of the term ‘low-income’
 16 equally with respect to seniors and veterans.

17 “(2) **MINIMALLY PROCESSED.**—The term ‘mini-
 18 mally processed’, with respect to a product, means
 19 processing that does not fundamentally alter the
 20 product.

21 “(3) **VETERAN.**—The term ‘veteran’ has the
 22 meaning given the term in section 101 of title 38,
 23 United States Code.

24 “(b) **FUNDING.**—

1 “(1) MANDATORY FUNDING.—Of the funds of
 2 the Commodity Credit Corporation, the Secretary
 3 shall use to carry out and expand a seniors and vet-
 4 erans farmers’ market nutrition program under this
 5 section not less than \$50,000,000 for each of fiscal
 6 years 2018 through 2022.

7 “(2) DISCRETIONARY FUNDING.—There is au-
 8 thorized to be appropriated to carry out this section
 9 \$50,000,000 for each of fiscal years 2018 through
 10 2022.

11 “(3) USE OF FUNDS.—Of the funds made avail-
 12 able under this subsection for a fiscal year—

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

16 “(B) 30 percent of the funds shall be used
 17 for the benefit of program recipients who are
 18 low-income veterans.

19 “(4) UNEXPENDED FUNDS.—To the extent the
 20 funds made available under this subsection for a fis-
 21 cal year are not expended in that fiscal year, the
 22 Secretary shall use the remaining funds in a subse-
 23 quent fiscal year for the same purpose.”;

24 (4) in subsection (c) (as so redesignated)—

1 (A) in the matter preceding paragraph (1),
 2 by inserting “and veterans” after “seniors”;

3 (B) in paragraph (1)—

4 (i) by inserting “, minimally proc-
 5 essed” after “unprepared”; and

6 (ii) by inserting “and low-income vet-
 7 erans” after “low-income seniors”;

8 (5) by inserting after subsection (c) (as so re-
 9 designated) the following:

10 “(d) PRIORITIES.—In allocating funds made avail-
 11 able under subsection (b), the Secretary shall give priority
 12 to—

13 “(1) farmers’ markets that have an operational
 14 seniors and veterans farmers’ market program; and

15 “(2) seniors and veterans farmers’ market pro-
 16 grams in historically underserved communities.”;
 17 and

18 (6) in each of subsections (e), (f), and (g) (as
 19 so redesignated), by inserting “and veterans” after
 20 “seniors” each place it appears.

21 **SEC. 10. FOOD AND AGRICULTURE SERVICE LEARNING**
 22 **PROGRAM.**

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

1 (1) in subsection (b)(4), by inserting “, to pro-
 2 mote agricultural education, to raise awareness
 3 about the consequences of wasted food, and to en-
 4 courage the implementation of food recovery initia-
 5 tives to reduce the quantity of wasted food” before
 6 the semicolon;

7 (2) in subsection (c)—

8 (A) in paragraph (2)—

9 (i) in subparagraph (C), by striking
 10 “and where food comes from; and” and in-
 11 serting “where food comes from, the con-
 12 sequences of food waste, and food recovery
 13 initiatives;”;

14 (ii) in subparagraph (D), by striking
 15 the period at the end and inserting “;
 16 and”; and

17 (iii) by adding at the end the fol-
 18 lowing:

19 “(E) have the capacity to execute national
 20 or regional projects that include 2 or more
 21 States.”; and

22 (B) by adding at the end the following:

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

1 “(A) are large in scale, as compared to
2 other proposed projects;

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

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

5 (3) in subsection (e)(1), by striking

6 “\$25,000,000, to remain available until expended”

7 and inserting “\$5,000,000 for each of fiscal years

8 2018 through 2022”.

○