

116TH CONGRESS
2D SESSION

S. 4140

To provide additional emergency funding for certain nutrition programs.

IN THE SENATE OF THE UNITED STATES

JULY 1, 2020

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

A BILL

To provide additional emergency funding for certain nutrition
programs.

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.**

4 This Act may be cited as the “Local Food Assistance
5 and Resilient Markets Act of 2020” or the “Local FARM
6 Act of 2020”.

7 **SEC. 2. DEFINITION OF SECRETARY.**

8 In this Act, the term “Secretary” means the Sec-
9 retary of Agriculture.

10 **SEC. 3. SPECIALTY CROP BLOCK GRANTS.**

11 (a) DEFINITIONS.—In this section:

1 (1) ELIGIBLE ENTITY.—The term “eligible enti-
2 ty” means—

3 (A) an emergency feeding organization (as
4 defined in section 201A of the Emergency Food
5 Assistance Act of 1983 (7 U.S.C. 7501)); and

6 (B) a local or regional food enterprise, in-
7 cluding a farmers market, a food hub, an agri-
8 cultural cooperative, a producer association, a
9 nonprofit organization, and a for-profit entity
10 focused primarily on marketing locally grown
11 food.

12 (2) PROGRAM.—The term “program” means
13 the specialty crop block grant program established
14 under section 101 of the Specialty Crops Competi-
15 tiveness Act of 2004 (7 U.S.C. 1621 note; Public
16 Law 108–465).

17 (b) GRANTS.—

18 (1) IN GENERAL.—The Secretary shall provide
19 grants to States under the program to award as sub-
20 grants to eligible entities to procure and distribute
21 specialty crops to needy persons at zero cost to those
22 persons.

23 (2) DISTRIBUTION REQUIREMENT.—Of the
24 grant amount provided to a State under paragraph

1 (1), a State shall use 50 percent to award subgrants
 2 to eligible entities that purchase specialty crops—

3 (A) from small, beginning, and socially dis-
 4 advantaged farmers or ranchers (as defined in
 5 section 355(e) of the Consolidated Farm and
 6 Rural Development Act (7 U.S.C. 2003(e)));
 7 and

8 (B) that would otherwise be sold through
 9 direct-to-consumer, direct-to-institution, direct-
 10 to-retail, or direct-to-restaurant marketing
 11 channels, including local and regional food en-
 12 terprises such as food hubs, agricultural co-
 13 operatives, and producer associations.

14 (c) USE OF FUNDS.—An eligible entity receiving a
 15 subgrant under subsection (b)(1)—

16 (1) shall use not less than 50 percent of the
 17 subgrant funds for specialty crop purchases; and

18 (2) may use the remaining subgrant funds for
 19 transportation, storage, overhead, and investment in
 20 cold storage infrastructure.

21 (d) FUNDING.—

22 (1) IN GENERAL.—There is appropriated to the
 23 Secretary, out of funds of the Treasury not other-
 24 wise appropriated, \$1,000,000,000 to carry out this
 25 section, to remain available until expended.

1 (2) EMERGENCY DESIGNATION.—

2 (A) IN GENERAL.—The amounts provided
3 by this subsection are designated as an emer-
4 gency requirement pursuant to section 4(g) of
5 the Statutory Pay-As-You-Go Act of 2010 (2
6 U.S.C. 933(g)).

7 (B) DESIGNATION IN SENATE.—In the
8 Senate, this subsection is designated as an
9 emergency requirement pursuant to section
10 4112(a) of H. Con. Res. 71 (115th Congress),
11 the concurrent resolution on the budget for fis-
12 cal year 2018.

13 **SEC. 4. ONLINE SUPPLEMENTAL NUTRITION ASSISTANCE**
14 **PROGRAM.**

15 (a) DEFINITION OF PROGRAM.—In this section, the
16 term “program” means the supplemental nutrition assist-
17 ance program established under the Food and Nutrition
18 Act of 2008 (7 U.S.C. 2011 et seq.).

19 (b) GRANTS.—

20 (1) IN GENERAL.—Not later than August 15,
21 2020, the Secretary, acting through the Adminis-
22 trator of the Food and Nutrition Service, shall dis-
23 tribute grants to State agencies that administer the
24 program in the State to develop tools and provide
25 technical assistance—

1 (A) to increase the quantity of retailers
2 that accept and redeem program benefits on-
3 line; and

4 (B) to expand the capacity of retailers to
5 accept and redeem program benefits online.

6 (2) PRIORITY FOR USE OF FUNDS.—In using a
7 grant received under paragraph (1), a State agency
8 shall give priority, and use not less than 25 percent
9 of the grant funds, to assist—

10 (A) farmers markets, food hubs, agricul-
11 tural and consumer cooperatives, producer asso-
12 ciations, nonprofit organizations, and for-profit
13 entities focused primarily on marketing locally
14 grown food; and

15 (B) retailers in food deserts that sold less
16 than \$500,000 in food products in the pre-
17 ceding year.

18 (3) MAXIMUM AMOUNT.—The amount of a
19 grant distributed under paragraph (1) shall not ex-
20 ceed \$2,500,000.

21 (c) FUNDING.—

22 (1) IN GENERAL.—There is appropriated to the
23 Secretary, out of amounts in the Treasury not other-
24 wise appropriated, \$100,000,000 to carry out sub-
25 section (b), to remain available until expended.

1 (2) EMERGENCY DESIGNATION.—

2 (A) IN GENERAL.—The amounts provided
3 by this subsection are designated as an emer-
4 gency requirement pursuant to section 4(g) of
5 the Statutory Pay-As-You-Go Act of 2010 (2
6 U.S.C. 933(g)).

7 (B) DESIGNATION IN SENATE.—In the
8 Senate, this subsection is designated as an
9 emergency requirement pursuant to section
10 4112(a) of H. Con. Res. 71 (115th Congress),
11 the concurrent resolution on the budget for fis-
12 cal year 2018.

13 **SEC. 5. TEMPORARY MODIFICATIONS TO MATCHING RE-**
14 **QUIREMENTS UNDER CERTAIN NUTRITION**
15 **PROGRAMS.**

16 (a) ACCESS TO LOCAL FOODS: FARM TO SCHOOL
17 PROGRAM.—Section 18(g)(4) of the Richard B. Russell
18 National School Lunch Act (42 U.S.C. 1769(g)(4)) is
19 amended—

20 (1) in subparagraph (A), by striking “The Fed-
21 eral” and inserting “Subject to subparagraph (C),
22 the Federal”;

23 (2) in subparagraph (B), by striking “As a con-
24 dition” and inserting “Subject to subparagraph (C),
25 as a condition”; and

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

2 “(C) TEMPORARY WAIVER.—

3 “(i) DEFINITION OF COVERED PE-
 4 RIOD.—In this subparagraph, the term
 5 ‘covered period’ means the period begin-
 6 ning on the date of enactment of the Local
 7 FARM Act of 2020 and ending on the last
 8 day of the second fiscal year beginning
 9 after that date of enactment.

10 “(ii) TEMPORARY WAIVER.—During
 11 the covered period, the Federal share of
 12 costs for a project funded through a grant
 13 awarded under this subsection shall equal
 14 100 percent of the total cost of the
 15 project.”.

16 (b) GUS SCHUMACHER NUTRITION INCENTIVE PRO-
 17 GRAM.—Section 4405(b)(1)(C) of the Food, Conservation,
 18 and Energy Act of 2008 (7 U.S.C. 7517(b)(1)(C)) is
 19 amended—

20 (1) by striking “Except as provided in subpara-
 21 graph (D)(iii)” and inserting the following:

22 “(i) IN GENERAL.—Except as pro-
 23 vided in clause (ii) and subparagraph
 24 (D)(iii)”;

25 (2) by adding at the end the following:

1 “(ii) TEMPORARY REDUCTION.—

2 “(I) DEFINITION OF COVERED
3 PERIOD.—In this clause, the term
4 ‘covered period’ means the period be-
5 ginning on the date of enactment of
6 the Local FARM Act of 2020 and
7 ending on the last day of the second
8 fiscal year beginning after that date
9 of enactment.

10 “(II) TEMPORARY REDUCTION.—
11 During the covered period, the Fed-
12 eral share of the cost of carrying out
13 an activity under this subsection shall
14 not exceed 75 percent of the total cost
15 of the activity.”.

16 (c) COMMUNITY FOOD PROJECTS.—Section 25(e) of
17 the Food and Nutrition Act of 2008 (7 U.S.C. 2034(e))
18 is amended—

19 (1) in paragraph (1), by striking “The Federal”
20 and inserting “Subject to paragraph (4), the Fed-
21 eral”; and

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

23 “(4) TEMPORARY WAIVER.—

24 “(A) DEFINITION OF COVERED PERIOD.—

25 In this paragraph, the term ‘covered period’

means the period beginning on the date of enactment of the Local FARM Act of 2020 and ending on the last day of the second fiscal year beginning after that date of enactment.

“(B) TEMPORARY REDUCTION.—During the covered period, the Federal share of the cost of establishing or carrying out a community food project under subsection (b) shall equal 100 percent of the total cost of the project.”.

SEC. 6. LOCAL AGRICULTURE MARKET PROGRAM; BEGINNING FARMER AND RANCHER DEVELOPMENT GRANT PROGRAM.

(a) LOCAL AGRICULTURE MARKET PROGRAM.—

(1) IN GENERAL.—There is appropriated for the Department of Agriculture, out of amounts in the Treasury not otherwise appropriated, \$500,000,000 for fiscal year 2020, to remain available until expended, to carry out the Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c).

(2) RESERVATIONS OF AMOUNTS.—Of the amount made available under paragraph (1)—

1 (A) \$100,000,000 shall be used to provide
2 grants under the program described in that
3 paragraph to recipients of grants under that
4 program that were awarded before the date of
5 enactment of this Act for projects to respond to
6 the COVID–19 pandemic;

7 (B) \$100,000,000 shall be used to provide
8 grants under the program described in that
9 paragraph to organizations that serve socially
10 disadvantaged farmers or ranchers (as defined
11 in section 355(e) of the Consolidated Farm and
12 Rural Development Act (7 U.S.C. 2003(e)));

13 (C) \$25,000,000 shall be used for grants
14 under paragraph (5) of section 210A(d) of the
15 Agricultural Marketing Act of 1946 (7 U.S.C.
16 1627c(d)) to carry out market rebuilding
17 projects authorized under paragraph (2)(K) of
18 that section; and

19 (D) \$25,000,000 shall be used for grants
20 under paragraph (6) of that section to carry
21 out those market rebuilding projects.

22 (3) MARKET REBUILDING PROJECTS.—Section
23 210A(d)(2) of the Agricultural Marketing Act of
24 1946 (7 U.S.C. 1627c(d)(2)) is amended—

1 (A) in subparagraph (I), by striking “or”
 2 at the end;

3 (B) in subparagraph (J)(ii), by striking
 4 the period at the end and inserting “; or”; and

5 (C) by adding at the end the following:

6 “(K) to rebuild a market for a value-added
 7 agricultural product that has been impacted by
 8 COVID–19 during the period beginning on the
 9 date of enactment of this subparagraph and
 10 ending on the last day of the second fiscal year
 11 beginning after that date of enactment.”.

12 (4) PAYMENTS FOR COVID–19 LOSSES.—Section
 13 210A(d) of the Agricultural Marketing Act of 1946
 14 (7 U.S.C. 1627c(d)) is amended by adding at the
 15 end the following:

16 “(7) PAYMENTS FOR COVID–19 LOSSES.—

17 “(A) IN GENERAL.—The Secretary may
 18 make payments to entities eligible to receive a
 19 grant under paragraph (5) or (6) that submit
 20 to the Secretary an application at such time, in
 21 such manner, and containing—

22 “(i) a description of how the business
 23 of the applicant has been impacted by
 24 COVID–19;

1 “(ii) a narrative explaining how the
 2 applicant proposes to use those payments
 3 to expand the capacity of the sales of the
 4 applicant to properly package and sell agri-
 5 cultural products to consumers; and

6 “(iii) such other information as the
 7 Secretary may require.

8 “(B) APPLICABILITY OF LIMITATIONS.—A
 9 payment under this paragraph shall not be sub-
 10 ject to the limitations specified in subpara-
 11 graphs (D) and (E) of paragraph (5) or (6), as
 12 applicable.”.

13 (b) WAIVER OF MATCHING FUNDS REQUIRE-
 14 MENTS.—

15 (1) DEFINITION OF COVERED PERIOD.—In this
 16 subsection, the term “covered period” means the pe-
 17 riod beginning on the date of enactment of this Act
 18 and ending on the last day of the second fiscal year
 19 beginning after that date of enactment.

20 (2) VALUE-ADDED PRODUCER GRANTS.—Sub-
 21 paragraph (E) of section 210A(d)(5) of the Agricul-
 22 tural Marketing Act of 1946 (7 U.S.C. 1627c(d)(5))
 23 shall not apply to a grant awarded under that sec-
 24 tion during the covered period.

1 (3) FARMERS’ MARKETS AND LOCAL FOOD PRO-
 2 MOTION PROGRAM.—Subparagraph (E) of section
 3 210A(d)(6) of the Agricultural Marketing Act of
 4 1946 (7 U.S.C. 1627c(d)(6)) shall not apply to a
 5 grant awarded under that section during the covered
 6 period.

7 (4) REGIONAL PARTNERSHIPS.—Paragraph (4)
 8 of section 210A(e) of the Agricultural Marketing Act
 9 of 1946 (7 U.S.C. 1627c(e)) shall not apply to a
 10 grant awarded under that section during the covered
 11 period.

12 (5) BEGINNING FARMER AND RANCHER DEVEL-
 13 OPMENT GRANT PROGRAM.—Paragraph (5) of sec-
 14 tion 2501(d) of the Food, Agriculture, Conservation,
 15 and Trade Act of 1990 (7 U.S.C. 2279(d)) shall not
 16 apply to a grant awarded under that section during
 17 the covered period.

18 **SEC. 7. FARM MICROLOANS.**

19 Section 313(c) of the Consolidated Farm and Rural
 20 Development Act (7 U.S.C. 1943(c)) is amended—

21 (1) in paragraph (2), by striking “\$50,000”
 22 and inserting “\$100,000”; and

23 (2) by adding at the end the following:

24 “(5) COVID–19 RESPONSE.—

25 “(A) DEFINITIONS.—In this paragraph:

1 “(i) COVERED MICROLOAN.—The
 2 term ‘covered microloan’ means a direct or
 3 guaranteed microloan under this sub-
 4 section—

5 “(I) that is outstanding as of the
 6 date of enactment of this paragraph;
 7 or

8 “(II) that is made or guaranteed
 9 by the Secretary during the covered
 10 period.

11 “(ii) COVERED PERIOD.—The term
 12 ‘covered period’ means the period begin-
 13 ning on the date of enactment of this para-
 14 graph and ending on the last day of the
 15 second fiscal year beginning after the date
 16 on which the public health emergency de-
 17 clared by the Secretary of Health and
 18 Human Services under section 319 of the
 19 Public Health Service Act (42 U.S.C.
 20 247d) on January 31, 2020, with respect
 21 to COVID–19 is lifted.

22 “(B) EXEMPTIONS.—

23 “(i) PROHIBITION OF LOANS FOR
 24 BORROWERS THAT HAVE RECEIVED DEBT
 25 FORGIVENESS.—Notwithstanding section

1 373(b)(1), a borrower shall not be ineli-
2 gible to receive a covered microloan be-
3 cause the borrower has received debt for-
4 givenness described in subparagraph (A) or
5 (B) of that section.

6 “(ii) PROHIBITION ON DELINQUENT
7 BORROWERS OBTAINING LOANS.—Notwith-
8 standing section 373(a) or any other provi-
9 sion of law, a borrower shall not be ineli-
10 gible to receive a covered microloan be-
11 cause the borrower is delinquent on any
12 loan made or guaranteed under this title or
13 any other Federal law.

14 “(iii) REQUIREMENT TO BE UNABLE
15 TO OBTAIN CREDIT ELSEWHERE.—Not-
16 withstanding sections 302(a)(1)(D),
17 311(a)(1)(D), and 333(1)(A), a borrower
18 shall not be required to demonstrate an in-
19 ability to obtain sufficient credit elsewhere
20 to be eligible to receive a covered
21 microloan.

22 “(iv) CITIZENSHIP REQUIREMENT.—
23 Notwithstanding sections 302(a)(1)(A) and
24 311(a)(1)(A), a borrower shall not be re-

quired to be a citizen of the United States
to receive a covered microloan.

“(v) ACCEPTABLE CREDIT HISTORY
REQUIREMENT.—Notwithstanding any
other provision of this title, a borrower
shall not be ineligible to receive a covered
microloan because the borrower has a lack
of an acceptable credit history.

“(C) EXTENSION OF TERMS; INTEREST AS-
SISTANCE.—

“(i) EXTENSION OF TERMS.—The
Secretary shall extend the term of a cov-
ered microloan for a period of 10 years at
an interest rate of—

“(I) 1 percent or less; or

“(II) in the case of guaranteed
covered microloan under clause (ii),
zero percent.

“(ii) INTEREST ASSISTANCE FOR
GUARANTEED MICROLOANS.—

“(I) IN GENERAL.—The Sec-
retary shall enter into contracts under
section 351 to reduce the interest rate
paid by a borrower on a guaranteed
covered microloan to zero percent for

1 the remaining term of the guaranteed
2 covered microloan.

3 “(II) EXEMPTION OF REQUIRE-
4 MENT TO BE UNABLE TO OBTAIN
5 CREDIT ELSEWHERE.—Notwith-
6 standing section 351(b)(1)(A), a bor-
7 rower shall not be required to dem-
8 onstrate an inability to obtain suffi-
9 cient credit elsewhere to be eligible for
10 an interest rate reduction described in
11 subclause (I).

12 “(D) DIRECT APPROPRIATION.—There is
13 appropriated for the Department of Agri-
14 culture, out of amounts in the Treasury not
15 otherwise appropriated, \$350,000,000 for each
16 fiscal year during the covered period to make
17 and guarantee microloans under this sub-
18 section.

19 “(6) PRIORITY.—In making and guaranteeing
20 microloans under this subsection, the Secretary shall
21 give priority to—

22 “(A) beginning farmers or ranchers;

23 “(B) socially disadvantaged farmers or
24 ranchers (as defined in section 355(e)); and

1 “(C) owners or operators of niche or non-
2 traditional farm operations, as defined by the
3 Secretary.”.

○