

## Assembly Bill No. 581

### CHAPTER 505

An act to add and repeal Article 3 (commencing with Section 104660) of Chapter 2 of Part 3 of Division 103 of the Health and Safety Code, relating to public health.

[Approved by Governor October 5, 2011. Filed with  
Secretary of State October 6, 2011.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 581, John A. Pérez. Public health: food access.

Existing law requires the Department of Food and Agriculture, headed by the Secretary of Food and Agriculture, to promote and protect the agricultural industry of the state.

This bill would, until July 1, 2017, create the California Healthy Food Financing Initiative. It would require, by July 1, 2012, the Secretary of Food and Agriculture to prepare recommendations, to be presented upon request to the Legislature, regarding actions that need to be taken to promote food access in the state. The bill would establish the California Healthy Food Financing Initiative Council and would require the council to implement the initiative, as specified. The bill would require the department to establish an advisory group, as specified.

The bill would create the California Healthy Food Financing Initiative Fund in the State Treasury, to be comprised of federal, state, philanthropic, and private funds, for the purpose of expanding access to healthy foods in underserved communities and, to the extent practicable, to leverage other funding, as specified. Moneys in the fund would be expended upon appropriation by the Legislature.

*The people of the State of California do enact as follows:*

SECTION 1. The Legislature hereby finds and declares all of the following:

(a) California has some of the most productive farmlands in the world. California's farmlands produce more than 350 commodities and food items.

(b) Access to healthy food items is a basic human right. Lack of access to healthy, affordable food items may result in higher levels of obesity and other diet-related diseases. Communities without access to affordable, quality, and nutritious foods are known as food deserts.

(c) Opportunities for increasing the number of grocery stores, urban and rural farm stands, farmers' markets, community gardens, direct farm to institution, and direct farmer to consumer marketing activities in underserved

communities should be actively pursued and fostered to ensure that all Californians have access to healthy foods.

(d) Ensuring access to nutritional foods for Californians who currently reside in food desert communities means improved economic health as well as boosting a community's physical health and well-being. Increasing access to healthy foods means new jobs and opportunities in the areas of food distribution, retail sales, and store management.

SEC. 2. Article 3 (commencing with Section 104660) is added to Chapter 2 of Part 3 of Division 103 of the Health and Safety Code, to read:

### Article 3. California Healthy Food Financing Initiative

104660. This article shall be known, and may be cited, as the California Healthy Food Financing Initiative.

104661. (a) There is hereby created the California Healthy Food Financing Initiative Council, within the office of the Treasurer which shall consist of the following members:

- (1) The Treasurer or his or her designee.
- (2) The Secretary of Food and Agriculture or his or her designee.
- (3) The Secretary of California Health and Human Services or his or her designee.
- (4) The Secretary of Labor and Workforce Development or his or her designee.

(b) The council shall implement the California Healthy Food Financing Initiative (CHFFI) and shall be chaired by the Treasurer or his or her designee. This initiative is intended to expand access to nutritious foods in underserved, urban, and rural communities and to eliminate food deserts in California.

(c) The council shall have all of the following duties:

- (1) Developing financing options using public or private moneys and resources, to support access to healthy foods for all Californians.
- (2) Developing program parameters, including, but not limited to, all of the following:
  - (A) Defining eligible entities for participation.
  - (B) Developing minimum eligibility thresholds for participation.
  - (C) Establishing minimum and maximum levels of financial assistance.
- (3) Partnering with federal, state, or local government agencies, nonprofit organizations, and philanthropic programs to further the purposes of the initiative.

(4) Reviewing recommendations of the advisory group, established pursuant to Section 104662.

(5) Providing updates to the Legislature as requested.

(d) The council shall adopt all rules and regulations necessary to implement the initiative.

104662. (a) By July 1, 2012, the Secretary of Food and Agriculture shall prepare recommendations, to be presented upon request of the

Legislature, regarding actions that need to be taken to promote food access in the state.

(b) The Secretary of Food and Agriculture may establish an advisory group, not to exceed 21 members, to assist the agencies in complying with the requirements of subdivision (a). If established, the advisory group shall consist of representatives from the Legislature, food policy advocates, representatives from the grocery industry and financial institutions, food systems researchers, representatives from the agricultural industry, representatives from underserved communities, representatives from nonprofit and philanthropic organizations with expertise in this area, representatives of health care providers, and others.

104663. (a) There is hereby established in the State Treasury the California Healthy Food Financing Initiative Fund, which shall be comprised of federal, state, philanthropic, and private funds for the purpose of expanding access to healthy foods in underserved communities.

(b) Moneys in the fund shall be expended upon appropriation by the Legislature, and shall be used, to the extent practicable, to leverage other funding, including, but not limited to, new markets tax credits, federal and foundation grant programs, incentives available to designated enterprise zones, the federal Specialty Crop Block Grant Program, and funding from private sector financial institutions pursuant to the federal Community Reinvestment Act.

104664. This article shall remain in effect only until July 1, 2017, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2018, deletes or extends that date.