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DELAWARE STATE SENATE
152nd GENERAL ASSEMBLY

SENATE SUBSTITUTE NO. 1
FOR
SENATE BILL NO. 254

AN ACT TO AMEND TITLE 16 OF THE DELAWARE CODE RELATING TO FOOD DESERTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1: Amend Chapter 36, Title 16 of the Delaware Code by making deletions as shown by strike through and
insertions as shown by underline as follows:

§ 3601. Title.

This chapter shall be known as the “Delaware Grocery Initiative.”

§ 3602. Definitions.

As used in this chapter:

(1) “Council” means the Delaware Council on Farm & Food Policy, a convening of state and non-state
food system stakeholders that advise the Delaware Secretary on Agriculture on food system topics.

(2) “Division” means the Division of Small Business created by § 8703A of Title 29.

(3) “Food desert” means locations where the residential population lacks adequate access to affordable
nutritious foods, typically lower-income areas where there is no access to a grocery store within at least one-half
mile in urban areas or at least 10 miles in non-urban areas.

(4) “Food resource” means any source that provides or enables access, availability, or affordability of
healthy food products including food retailers, food banks, food pantries, specialty grocers, supermarkets, corner
stores, restaurants, state benefits offices, food box voucher programs, or other mechanisms that enable healthy
food access in food desert communities.

(5) "Healthy Food Retail Initiative" means the Delaware Healthy Food Retail Initiative, a project started in 2021 to develop a series of policy, systems, and environment strategies to help Delaware residents access enough nourishing food from sources within a resident's immediate neighborhood or community.

(6) "Local governmental unit" means any county, municipality, township, special district, or unit that is designated as a unit of local government by law and exercises limited governmental powers or powers in respect to limited governmental subjects. "Local governmental unit" also includes any school district or community college district.

(7) "Nonprofit" means an organization or institution that is organized as a nonprofit nonstock corporation according to the General Corporation Law of Title 8.

(8) "Program" means the First State Food System Program, which was established by the Delaware Department of Agriculture, using State funds from the American Rescue Plan Act, to award grants to food resources.

(9) "Specialty grocer" means a food resource that provides or enables the access, availability, or affordability of culturally diverse food products, including independent retail operations.

§ 3603. Grants and financial support.

(a) This bill codifies the Program under the Delaware Grocery Initiative.

(b) The Division shall, subject to appropriation and in consultation with the Council, establish the Delaware Grocery Initiative to expand access to healthy foods in food deserts in Delaware and areas at risk of becoming food deserts in Delaware by providing grants and other forms of financial assistance to an eligible food resource, nonprofit food resource, local governmental unit food resource, or specialty grocer. The Division may:

(1) Enter into contracts, grants, or other agreements to administer the Delaware Grocery Initiative.

(2) Place limits on the size of the food resources that are eligible for grants and other financial assistance under this initiative.

(3) Award grants and other financial assistance to eligible food resources, nonprofit food resources, local governmental unit food resources, or specialty grocers based on poverty rates, income, geographic diversity, local ownership, access to food resources in the area surrounding proposed project locations, and other factors as determined by the Division.

(4) Award grants and other financial assistance for any one or more of the following: equipment, capital expenses, operational expenses, administrative expenses, supplies or other costs as determined by the Division.

(c) The Division shall coordinate with the Council to share information and findings from the Healthy Food Retail Initiative to inform and make available technical assistance and counseling to Program participants. The Division may rely on the Division's regional business managers to provide one-on-one counseling to the Program participants and assist Program participants to navigate regulatory processes, streamline compliance requirements, and access capital and other funding opportunities.

§ 3604. Food access strategy.

(a) The Council shall, subject to appropriation, develop a food access strategy to address food insecurity impacting populations within urban, suburban, and rural communities throughout the state.

(1) The strategy may include the following:

a. An analysis of identified vulnerabilities and concentrations of food insecurity risk, as well as a summary of the causes of food insecurity.

b. An inventory of food resources located throughout the state and a summary of specific barriers and solutions identified by distribution and retail operators.

c. An assessment of needs or gaps identified by food supply chain operators or individuals pursuing ownership or operation of a food resource, with particular attention to those independent retail operations.

d. A set of recommendations to address limited food access, the availability of nutritious food options, and to facilitate the expansion of foods, including nutrient rich foods, into food deserts and areas at risk of becoming food deserts.

(b) The Council shall consult with public and private food resources, as well as state and non-state entities for the purposes of creation, ongoing evaluation, implementation, and consideration of the food access strategy.

(c) The Council shall issue a report documenting the food access strategy and submit the report to members of the General Assembly and the Office of the Governor by June 1, 2025.

§ 3605. Regulatory authority.

The Division shall adopt regulations under Chapter 101 of Title 29 to implement the Delaware Grocery Initiative in accordance with this chapter.

Section 2. This Act expires 3 years after its implementation into law unless otherwise provided by a subsequent act of the General Assembly.

Section 3. This Act is effective immediately and is to be implemented the earlier of the following:

(1) One year from the date of the of the Act's enactment.

77 (2) Notice by the Division published in the Register of Regulations that final regulations to implement
78 this Act have been promulgated.

SYNOPSIS

This Act creates the Delaware Grocery Initiative.

The Delaware Grocery Initiative is a healthy foods initiative that seeks to provide financial assistance to eligible food resources as designated by the bill. The Act defines food deserts and eligibility requirements for the initiative. The Act authorizes the Division of Small Business to implement the grant and financial support system.

This substitute bill does the following:

1. Adds the following terms in the definition section of the Act: Council, food resource, Healthy Foods Retail Initiative, Program, and specialty grocer.
2. Modifies the definition of food desert.
3. Removes terms of grocery store, rural tract, and urban tract in lieu of the new definitions of food resource and food desert.
4. Designates the Division of Small Business, instead of the Office of State Planning, as the agency authorized to implement the Delaware Grocery Initiative and authorizes the Division of Small Business to adopt rules.
5. Replaces the grocery and food desert study with a food access strategy.
6. Subject to appropriation, creates a food access strategy to address food insecurity and requires submission of a report to the General Assembly and the Governor by June 1, 2025.

Author: Senator Brown