

SENATE No. 348

The Commonwealth of Massachusetts

PRESENTED BY:

Sonia Chang-Diaz

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act to facilitate the growth of innovative food enterprises in the Commonwealth.

PETITION OF:

| NAME: | DISTRICT/ADDRESS: |
|----------------------------|--|
| <i>Sonia Chang-Diaz</i> | <i>Second Suffolk</i> |
| <i>Thomas M. Menino</i> | <i>1 City Hall Square, Suite 500, Boston, MA 02201</i> |
| <i>Carlo Basile</i> | <i>1st Suffolk</i> |
| <i>Daniel A. Wolf</i> | <i>Cape and Islands</i> |
| <i>Martin J. Walsh</i> | <i>13th Suffolk</i> |
| <i>Linda Dorcena Forry</i> | <i>12th Suffolk</i> |
| <i>Lori A. Ehrlich</i> | <i>8th Essex</i> |
| <i>Denise Andrews</i> | <i>2nd Franklin</i> |
| <i>David M. Rogers</i> | <i>24th Middlesex</i> |
| <i>Benjamin Swan</i> | <i>11th Hampden</i> |

SENATE No. 348

By Ms. Chang-Diaz, a petition (accompanied by bill, Senate, No. 348) of Sonia Chang-Diaz, Thomas M. Menino, Carlo Basile, Daniel A. Wolf and other members of the General Court for legislation to facilitate the growth of innovative food enterprises in the Commonwealth. Environment, Natural Resources and Agriculture.

The Commonwealth of Massachusetts

In the Year Two Thousand Thirteen

An Act to facilitate the growth of innovative food enterprises in the Commonwealth.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 20 of the General Laws is hereby amended by inserting after
2 section 32 the following section:-

3 Section 33. (a) For purposes of this section, the following words and phrases shall have
4 the following meanings:-

5 “Crowdfunding”, the funding of a project from a large number of supporters whom each
6 contribute a small amount.

7 “Department”, the department of agricultural resources.

8 “Fund”, the Food Innovation Trust Fund established by subsection (b).

9 “Funding”, grants, or loans, or a combination of grants and loans.

10 “Local food enterprise”, any business, for-profit or not-for-profit, that maintains a
11 primary headquarters in the commonwealth and whose purpose involves the production of food
12 within this commonwealth, or the creation of distribution networks for food within this
13 commonwealth or both.

14 “Food opportunity area”, a community, or sections of a community of low and moderate
15 income, where the growth of food enterprises would create jobs, attract investment or provide
16 greater access to foods produced in the commonwealth for local residents of low and moderate
17 income.

18 “Program”, a public-private partnership established to provide a dedicated source of
19 financing for food entrepreneurs in the commonwealth and that pledges to create and retain jobs
20 in the commonwealth.

21 (b) There shall be within the department a separate fund to be known as the Food
22 Innovation Trust Fund. The department shall administer the fund for the purpose of providing a
23 dedicated source of financing for local food and farming entrepreneurs, particularly those
24 operating in or serving distressed communities in the commonwealth, both urban and rural. The
25 fund shall be an expendable trust fund and shall be subject to appropriation.

26 (c) There shall be credited to the fund, revenue from appropriations or other monies
27 authorized by the general court and specifically designated for the fund and any gifts, grants,
28 private contributions, repayment of loans, fees and charges imposed relative to the making of
29 loans or grants, subsidies, credit enhancements and other financial assistance, investment income
30 earned on the fund’s assets and any other sources. Money remaining in the fund at the end of a
31 fiscal year shall not revert to the General Fund.

32 (d) The fund shall finance food innovation grants and other financial assistance to local
33 food enterprises.

34 (e) The department shall establish a competitive grant program to be awarded to local
35 food enterprises and shall maintain a reasonable balance of large, medium and small scale
36 project awards. Activities eligible for assistance from the fund shall include, but not be limited
37 to:

38 (1) New construction and renovation for food innovation projects which shall
39 include, but not be limited to: (A) community kitchens; (B) food truck commissaries; (C) indoor
40 and outdoor greenhouses; (D) winter and year-round farmers markets; (E) infrastructure for
41 urban and rural based Community Supported Agriculture businesses; and (F) working capital for
42 said projects, which shall include, but not be limited to; equipment and furnishings, workforce
43 training, security and certain pre-development costs.

44 (2) Creation of retail, restaurant and supporting food distribution hub options in
45 such food opportunity areas as approved by the department. Applicants for projects within said
46 areas shall demonstrate a meaningful commitment to sell fresh, local products, according to the
47 rules and regulations established by the department.

48 (f) The department may enter into external partnerships to: (i) raise matching funds, (ii)
49 market the program, (iii) evaluate applicants, (iv) make award decisions, (v) underwrite loans,
50 and (vi) monitor compliance and impact.

51 (g) The department shall promulgate regulations for the implementation, administration
52 and enforcement of this section, including, but not limited to:

53 (1) setting a measurable standard that deems an applicant has demonstrated a
54 meaningful commitment to sell fresh, local products;

55 (2) matching funds by other sources; such as federal or municipal government,
56 private sector or foundation commitments, crowdfunding campaigns and related efforts;

57 (3) funding priority based on a reasonable balance of large, medium and small
58 projects.

59 (h) The department shall annually file a report with the house and senate committees on
60 ways and means, the joint committee on environment, natural resources and agriculture and the
61 house and senate committees on bonding, capital expenditures and state assets which shall detail
62 all expenditures from the fund, including, but not limited to, the recipient of the funds, the cost of
63 administration, the number of jobs created and tax revenues generated.