

No. 2006-124

AN ACT

HB 2472

Establishing a farmers' market development grant program to develop or expand farmers' markets; conferring powers and duties on the Department of Agriculture; and providing for funding.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. Short title.

This act shall be known and may be cited as the Farmers' Market Development Act.

Section 2. Definitions.

The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:

"Department." The Department of Agriculture of the Commonwealth.

"Farmer." A person engaged in the production of agricultural commodities.

"Farmers' market." Any building, structure or place owned, leased or otherwise in possession of a person, municipal corporation or public or private organization, used or intended to be used by two or more farmers or an association of farmers for the purpose of selling agricultural commodities directly to consumers and which is physically located within this Commonwealth.

"Grant." A grant awarded under this act.

"Program participant." An individual or household which is in need of food assistance to supplement the diet of economically depressed persons to prevent hunger or undernutrition and which is eligible for Federal or State food assistance programs.

"Secretary." The Secretary of Agriculture of the Commonwealth.

"Underserved area." Any of the following:

- (1) A low-income or moderate-income census tract.
- (2) An area of below-average supermarket density.
- (3) An area having a supermarket customer base with more than 50% of the customer base living in a low-income census tract or other area demonstrated to have a significant access limitation due to travel distance, as determined by the Department of Agriculture.

Section 3. Farmers' Market Development Grant Program.

(a) Authorization.—The department is authorized to establish a program to award grants for the purpose of developing or expanding farmers' markets.

(b) Eligibility.—Eligible applicants shall be located within this Commonwealth and may include any of the following:

- (1) Farmers.
 - (2) Nonprofit organizations.
 - (3) Businesses or associations that manage or operate farmers' markets.
 - (4) Local government units.
- (c) Usage of grants.—Grants may be used for any of the following:
- (1) The cost of developing a business plan for a new farmers' market.
 - (2) Predevelopment costs associated with opening a new farmers' market, including site selection, demographic research, farmer recruitment and sales potential analysis.
 - (3) Promotion of an existing farmers' market through marketing materials, media outreach and advertising.
 - (4) Staffing costs to manage and operate a farmers' market.
 - (5) The purchase of tables, stands and other display materials for use in a farmers' market.
 - (6) The provision of nutrition education materials or educational materials about Pennsylvania farm products to program participants.
 - (7) The conduct of outreach to program participants to increase participation in existing food assistance programs.

Section 4. Limitations on grants.

(a) Limit.—The maximum amount of a grant per a farmers' market location shall be \$10,000. Grants in lesser amounts may be approved until the cumulative total maximum grant amount is awarded.

(b) Grant matching.—

(1) Except as set forth in paragraph (2), each applicant shall provide at least 10% of the grant amount in matching funds or in-kind goods or services.

(2) The requirement of paragraph (1) may be waived by the secretary for a project to serve an underserved area if the secretary determines that the waiver will further the purposes of this act.

(c) Conditions.—The secretary may approve a grant in an amount less than that requested and may impose restrictions or special conditions upon issuance of a grant.

Section 5. Applications and review of applications.

(a) Submittal.—Applications for grants shall be submitted in a form and manner as determined by the secretary.

(b) Factors.—In determining whether or not an applicant is eligible for a grant, the secretary shall evaluate the application on the basis of all of the following factors:

(1) The potential to increase consumption of Pennsylvania-grown agricultural commodities, preserve farmland and promote Pennsylvania agriculture.

(2) The ability of the applicant to complete the project.

(3) The potential of the farmers' market to help revitalize a community.

- (4) The location of the farmers' market in an underserved area.
- (5) The potential to provide increased access to farmers' markets by program participants.
- (6) The number of people who will be served by the project.
- (7) The overall performance of the project if the project received a grant in a previous fiscal year.

Section 6. Grant agreement.

Upon approval by the secretary, the applicant shall execute a written agreement which describes the terms and conditions governing the grant, including a date by which the project shall be completed.

Section 7. Verification of use of grant funds.

(a) Verification.—Within 90 days of the project completion date, the applicant shall submit to the department written receipts or other documentation to verify the total amount of the project costs.

(b) Forfeiture.—If any of the following occur, the secretary may demand, at the secretary's sole discretion, the return of all or a portion of the grant:

- (1) The failure to submit receipts or documentation required under subsection (a).
- (2) A determination by the secretary that grant funds are not being spent in accordance with the terms and conditions of the agreement under section 6.
- (3) The failure to properly account for grant moneys.

(c) Repayment.—The grant recipient shall repay the sum demanded by the secretary within 60 days of receipt of a written demand.

Section 20. Regulations.

The department shall promulgate regulations as it deems necessary to carry out the purposes of this act.

Section 21. Funding.

Grants shall be awarded to the extent that funds are appropriated by the General Assembly.

Section 30. Effective date.

This act shall take effect July 1, 2007, or immediately, whichever is later.

APPROVED—The 27th day of October, A.D. 2006.

EDWARD G. RENDELL