

# Senate Bill 908

Sponsored by Senator CARTER (at the request of Portland Chapter of The Links, Incorporated)

## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Authorizes cities and counties to request that State Department of Agriculture designate specified number of nutrition improvement zones in urban and rural areas of state. Provides incentives for retail grocery stores to locate in nutrition improvement zones and for food stamp recipients to patronize participating grocery stores.

Appropriates moneys to Emergency Board for purposes of funding incentives upon establishment of nutrition improvement zones and participating grocery stores within zones.

Takes effect on 91st day following adjournment sine die.

## A BILL FOR AN ACT

1  
2 Relating to nutrition improvement zones; appropriating money; and prescribing an effective date.

3 **Be It Enacted by the People of the State of Oregon:**

4 **SECTION 1. (1) At the request of a city or county of this state, the State Department**  
5 **of Agriculture shall survey a geographic area that is the subject of the request to determine**  
6 **whether the area meets the qualifications for a nutrition improvement zone.**

7 (2) **The geographic area must be contiguous and may not exceed in size:**

8 (a) **\_\_\_\_\_ square miles in an urban area; or**

9 (b) **\_\_\_\_\_ square miles in a rural area.**

10 (3) **The geographic area meets the qualifications to be a nutrition improvement zone if**  
11 **the area:**

12 (a) **Is an urban area that contains at least 50 percent but less than 80 percent of land**  
13 **area dedicated to residential housing or is a rural area that has an average population den-**  
14 **sity of at least \_\_\_\_\_ persons per square mile;**

15 (b) **Lacks a retail grocery store that provides at least a threshold inventory of nutritional**  
16 **foods and beverages, as determined under section 4 (1)(b) of this 2009 Act; and**

17 (c) **Meets all other qualifications adopted by rule of the department for designation as a**  
18 **nutrition improvement zone.**

19 (4) **The department may designate not more than four nutrition improvement zones in**  
20 **urban areas and four nutrition improvement zones in rural areas.**

21 **SECTION 2. (1) If an area is designated a nutrition improvement zone:**

22 (a) **The city or county that requested the designation may acquire land within the zone**  
23 **that is suitable for location of a retail grocery store and obtain a matching grant described**  
24 **in section 3 of this 2009 Act following conveyance of the land;**

25 (b) **Consumers who purchase food within the nutrition improvement zone and who qualify**  
26 **for food stamp benefits shall receive the supplemental benefit described in section 4 of this**  
27 **2009 Act for purchases of nutritional foods and beverages within the nutrition improvement**  
28 **zone; and**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 (c) A participating grocery store or an owner of property on which a qualifying farmers  
 2 market is located shall receive the property tax exemption described in section 5 of this 2009  
 3 Act.

4 (2) Sections 1 to 5 of this 2009 Act constitute further legislation relating to the distrib-  
 5 ution of food under ORS 616.010 (1) for which the State Department of Agriculture shall  
 6 serve as the administering agency.

7 (3) The State Department of Agriculture, in consultation with the Department of Human  
 8 Services, may adopt rules necessary to carry out the purposes of sections 1 to 5 of this 2009  
 9 Act.

10 **SECTION 3.** (1) After a nutrition improvement zone has been designated under section  
 11 1 of this 2009 Act, the city or county that requested the zone may acquire land suitable for  
 12 locating a retail grocery store in the zone by purchase, gift or condemnation. The city or  
 13 county may acquire more than one parcel of land in the zone.

14 (2) Following an acquisition described in subsection (1) of this section, the city or county  
 15 that acquired the land may apply to the State Department of Agriculture for a nutrition  
 16 improvement zone facilities grant. The department shall pay 75 percent of the acquisition  
 17 cost for the land to the acquiring city or county.

18 (3) The city or county shall convey the land acquired under subsection (1) of this section  
 19 to a grocery store or business that intends to operate as a grocery store for the consider-  
 20 ation of \$1 and an irrevocable pledge to begin operations within three years of the  
 21 conveyance as a participating grocery store that:

22 (a) Will carry an inventory of nutritional foods and beverages that meets the minimum  
 23 threshold of nutritionally high quality foods and beverages established by the department  
 24 under section 4 (1)(b) of this 2009 Act; and

25 (b) Will have at least 30 percent of store employees be residents of the nutrition im-  
 26 provement zone.

27 (4) The city's or county's acquisition cost constitutes a lien on the land transferred to  
 28 the grocery store or business that intends to operate as a grocery store until the department  
 29 has determined that the store operates as a participating grocery store that satisfies the  
 30 requirements of this section for 20 consecutive years, but thereafter ceases to be a lien on  
 31 the property.

32 **SECTION 4.** (1) The State Department of Agriculture by rule shall:

33 (a) Identify the items of foods and beverages that constitute nutritional foods and  
 34 beverages; and

35 (b) Determine the percentage of a retail grocery store's inventory of consumer items  
 36 that must be nutritional foods and beverages in order for the grocery store to be a partic-  
 37 ipating grocery store in a nutrition improvement zone.

38 (2)(a) A participating grocery store shall program its bar code system to recognize foods  
 39 and beverages that the department has identified by rule as nutritional foods and beverages  
 40 separate from other products.

41 (b) A customer of a participating grocery store who receives food stamp benefits under  
 42 ORS 411.806 to 411.845 shall receive a supplemental benefit equal to 50 percent of the costs  
 43 of purchasing nutritional foods and beverages if the percentage of the customer's total pur-  
 44 chases that constitute nutritional foods and beverages is at least 70 percent of the custom-  
 45 er's purchases. The supplemental benefit described in this paragraph is in addition to and

1 not in lieu of any benefits a recipient is otherwise entitled to receive under ORS 411.806 to  
2 411.845.

3 (3) A farmer's market operating in a nutrition improvement zone is a participating gro-  
4 cery store for purposes of this section.

5 **SECTION 5.** (1) A retail grocery store that is located in a nutrition improvement zone  
6 and that operates as a participating grocery store that satisfies the requirements of section  
7 3 (3) of this 2009 Act is exempt from property taxation.

8 (2) Land that is located in a nutrition improvement zone and that is used as a farmers  
9 market at least three days a week and at least 40 weeks each year is exempt from property  
10 taxation.

11 **SECTION 6.** (1) In addition to and not in lieu of any other appropriation, there is appro-  
12 priated to the Emergency Board, for the biennium beginning July 1, 2009, out of the General  
13 Fund, the amount of \$\_\_\_\_\_, to be allocated to the State Department of Agriculture for the  
14 purpose of making the nutrition improvement zone facilities grants described in section 3 (2)  
15 of this 2009 Act.

16 (2) If any of the moneys appropriated by subsection (1) of this section are not allocated  
17 by the Emergency Board prior to December 1, 2010, the moneys remaining on that date be-  
18 come available for any purpose for which the Emergency Board lawfully may allocate funds.

19 **SECTION 7.** (1) In addition to and not in lieu of any other appropriation, there is appro-  
20 priated to the Emergency Board, for the biennium beginning July 1, 2009, out of the General  
21 Fund, the amount of \$\_\_\_\_\_, to be allocated to the Department of Human Services for the  
22 purpose of funding supplemental food stamp benefits described in section 4 (2) of this 2009  
23 Act.

24 (2) If any of the moneys appropriated by subsection (1) of this section are not allocated  
25 by the Emergency Board prior to December 1, 2010, the moneys remaining on that date be-  
26 come available for any purpose for which the Emergency Board lawfully may allocate funds.

27 **SECTION 8.** This 2009 Act takes effect on the 91st day after the date on which the reg-  
28 ular session of the Seventy-fifth Legislative Assembly adjourns sine die.

29 \_\_\_\_\_