

## **Healthy Food Access for All Americans (HFAAA) Act**

An estimated 18.8 million Americans live in what the United States Department of Agriculture (USDA) classifies as a food desert – not living within a mile of a grocery store in urban communities or 10 miles of a grocery store in rural areas. The lack of healthy food options has devastating effects on the health of communities, leading to higher incidents of obesity, diabetes, and heart disease. HFAAA would provide incentives to food providers to expand access to healthy foods in these underserved communities and reduce the number of food deserts nationwide.

### **How does it work?**

For the purposes of this legislation, a food desert is defined by the USDA metric of living one (or more) miles away from a grocery market in urban areas and living 10 or more miles away from a grocery market of the same tier in rural regions. However, the bill adds a provision that only food deserts that have a poverty rate tract of 20% (or higher) or a median family income tract of less than 80% of the median for the state or metro area, will be applicable. A grocery market would be defined as a retail sales store with at least 35% of its selection (or forecasted selection) dedicated to selling fresh produce, poultry, dairy, and deli items.

Food providers who service low access communities could submit applications to the Treasury Department for certification as a “Special Access Food Provider (SAFP).” With this designation, providers would receive specified tax credits or grants for servicing food deserts based on the following structure:

- *New Store Construction*- Companies that construct new grocery stores in a food desert will receive a onetime 15% tax credit after receiving certification.
- *Retrofitting Existing Structures*- Companies that make retrofits to an existing store’s healthy food sections can receive a onetime 10% tax credit after the repairs certify the store as an SAFP.
- *Food Banks*- Certified food banks that build new (permanent) structures in food deserts will be eligible to receive a onetime grant for 15% of their construction costs.
- *Temporary Access Merchants*- Certified temporary access merchants (i.e. mobile markets, farmers markets, and some food banks) that are 501(c)(3)s will receive grants for 10% of annual operating costs.

The Treasury Department along with the Healthy Food Financing Initiative (HFFI) at USDA would certify merchants as SAFP’s based on the following metrics:

#### *Tax credit:*

1. Must build or retrofit a store in a food desert.
2. Must have forecasted grocery inventory of at least 35%.
3. Must submit a formal project proposal to USDA.
4. Other metrics as determined by the Secretaries of Treasury and Agriculture.

#### *Grants for new construction of permanent food banks:*

1. Must submit a formal project proposal to USDA.
2. Other metrics as determined by the Secretaries of Treasury and Agriculture.

#### *Grants for temporary access structures:*

1. Must service a food desert for at least five days and fifty hours every week, or distribute an “adequate” amount of food as determined by USDA.
2. Must be a non-profit under 501(c)(3).
3. Must submit a formal project proposal to USDA.
4. Other metrics as determined by the Secretaries of Treasury and Agriculture.

**Phase Out:** To track progress nationally and locally, USDA’s Food Access Research Atlas will be updated annually to account for areas that are no longer low access.