A BILL

To provide additional emergency funding for certain nutrition programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Local Food Assistance and Resilient Markets Act of 2020” or the “Local FARM Act of 2020”.

SEC. 2. DEFINITION OF SECRETARY.

In this Act, the term “Secretary” means the Secretary of Agriculture.

SEC. 3. SPECIALTY CROP BLOCK GRANTS.

(a) DEFINITIONS.—In this section:
(1) Eligible Entity.—The term “eligable entity” means—

(A) an emergency feeding organization (as defined in section 201A of the Emergency Food Assistance Act of 1983 (7 U.S.C. 7501)); and

(B) a local or regional food enterprise, including a farmers market, a food hub, an agricultural cooperative, a producer association, a nonprofit organization, and a for-profit entity focused primarily on marketing locally grown food.

(2) Program.—The term “program” means the specialty crop block grant program established under section 101 of the Specialty Crops Competitiveness Act of 2004 (7 U.S.C. 1621 note; Public Law 108–465).

(b) Grants.—

(1) In General.—The Secretary shall provide grants to States under the program to award as subgrants to eligible entities to procure and distribute specialty crops to needy persons at zero cost to those persons.

(2) Distribution Requirement.—Of the grant amount provided to a State under paragraph
(1), a State shall use 50 percent to award subgrants to eligible entities that purchase specialty crops—

    (A) from small, beginning, and socially dis-
    advantaged farmers or ranchers (as defined in
    section 355(e) of the Consolidated Farm and
    Rural Development Act (7 U.S.C. 2003(e))); and

    (B) that would otherwise be sold through
direct-to-consumer, direct-to-institution, direct-
to-retail, or direct-to-restaurant marketing
channels, including local and regional food en-
terprises such as food hubs, agricultural co-
operatives, and producer associations.

(e) USE OF FUNDS.—An eligible entity receiving a
subgrant under subsection (b)(1)—

    (1) shall use not less than 50 percent of the
subgrant funds for specialty crop purchases; and

    (2) may use the remaining subgrant funds for
transportation, storage, overhead, and investment in
cold storage infrastructure.

(d) FUNDING.—

    (1) IN GENERAL.—There is appropriated to the
Secretary, out of funds of the Treasury not other-
wise appropriated, $1,000,000,000 to carry out this
section, to remain available until expended.
(2) EMERGENCY DESIGNATION.—

(A) IN GENERAL.—The amounts provided by this subsection are designated as an emergency requirement pursuant to section 4(g) of the Statutory Pay-As-You-Go Act of 2010 (2 U.S.C. 933(g)).

(B) DESIGNATION IN SENATE.—In the Senate, this subsection is designated as an emergency requirement pursuant to section 4112(a) of H. Con. Res. 71 (115th Congress), the concurrent resolution on the budget for fiscal year 2018.

SEC. 4. ONLINE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.

(a) DEFINITION OF PROGRAM.—In this section, the term “program” means the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.).

(b) GRANTS.—

(1) IN GENERAL.—Not later than August 15, 2020, the Secretary, acting through the Administrator of the Food and Nutrition Service, shall distribute grants to State agencies that administer the program in the State to develop tools and provide technical assistance—
(A) to increase the quantity of retailers that accept and redeem program benefits online; and

(B) to expand the capacity of retailers to accept and redeem program benefits online.

(2) PRIORITY FOR USE OF FUNDS.—In using a grant received under paragraph (1), a State agency shall give priority, and use not less than 25 percent of the grant funds, to assist—

(A) farmers markets, food hubs, agricultural and consumer cooperatives, producer associations, nonprofit organizations, and for-profit entities focused primarily on marketing locally grown food; and

(B) retailers in food deserts that sold less than $500,000 in food products in the preceding year.

(3) MAXIMUM AMOUNT.—The amount of a grant distributed under paragraph (1) shall not exceed $2,500,000.

(c) FUNDING.—

(1) IN GENERAL.—There is appropriated to the Secretary, out of amounts in the Treasury not otherwise appropriated, $100,000,000 to carry out subsection (b), to remain available until expended.
(2) EMERGENCY DESIGNATION.—

(A) IN GENERAL.—The amounts provided
by this subsection are designated as an emer-
gency requirement pursuant to section 4(g) of
the Statutory Pay-As-You-Go Act of 2010 (2
U.S.C. 933(g)).

(B) DESIGNATION IN SENATE.—In the
Senate, this subsection is designated as an
emergency requirement pursuant to section
4112(a) of H. Con. Res. 71 (115th Congress),
the concurrent resolution on the budget for fis-
cal year 2018.

SEC. 5. TEMPORARY MODIFICATIONS TO MATCHING RE-
QUIREMENTS UNDER CERTAIN NUTRITION
PROGRAMS.

(a) ACCESS TO LOCAL FOODS: FARM TO SCHOOL
PROGRAM.—Section 18(g)(4) of the Richard B. Russell
National School Lunch Act (42 U.S.C. 1769(g)(4)) is
amended—

(1) in subparagraph (A), by striking “The Fed-
eral” and inserting “Subject to subparagraph (C),
the Federal”;

(2) in subparagraph (B), by striking “As a con-
dition” and inserting “Subject to subparagraph (C),
as a condition”; and
(3) by adding at the end the following:

“(C) Temporary waiver.—

“(i) Definition of covered period.—In this subparagraph, the term ‘covered period’ means the period beginning on the date of enactment of the Local FARM Act of 2020 and ending on the last day of the second fiscal year beginning after that date of enactment.

“(ii) Temporary waiver.—During the covered period, the Federal share of costs for a project funded through a grant awarded under this subsection shall equal 100 percent of the total cost of the project.”.

(b) Gus Schumacher Nutrition Incentive Program.—Section 4405(b)(1)(C) of the Food, Conservation, and Energy Act of 2008 (7 U.S.C. 7517(b)(1)(C)) is amended—

(1) by striking “Except as provided in subparagraph (D)(iii)” and inserting the following:

“(i) In general.—Except as provided in clause (ii) and subparagraph (D)(iii); and

(2) by adding at the end the following:
“(ii) Temporary reduction.—

“(I) Definition of covered period.—In this clause, the term ‘covered period’ means the period beginning on the date of enactment of the Local FARM Act of 2020 and ending on the last day of the second fiscal year beginning after that date of enactment.

“(II) Temporary reduction.—

During the covered period, the Federal share of the cost of carrying out an activity under this subsection shall not exceed 75 percent of the total cost of the activity.”.

(e) Community Food Projects.—Section 25(e) of the Food and Nutrition Act of 2008 (7 U.S.C. 2034(e)) is amended—

(1) in paragraph (1), by striking “The Federal” and inserting “Subject to paragraph (4), the Federal”; and

(2) by adding at the end the following:

“(4) Temporary waiver.—

“(A) Definition of covered period.—

In this paragraph, the term ‘covered period’
means the period beginning on the date of enactment of the Local FARM Act of 2020 and ending on the last day of the second fiscal year beginning after that date of enactment.

“(B) Temporary reduction.—During the covered period, the Federal share of the cost of establishing or carrying out a community food project under subsection (b) shall equal 100 percent of the total cost of the project.”.

SEC. 6. LOCAL AGRICULTURE MARKET PROGRAM; BEGINNING FARMER AND RANCHER DEVELOPMENT GRANT PROGRAM.

(a) Local Agriculture Market Program.—

(1) In general.—There is appropriated for the Department of Agriculture, out of amounts in the Treasury not otherwise appropriated, $500,000,000 for fiscal year 2020, to remain available until expended, to carry out the Local Agriculture Market Program established under section 210A of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627e).

(2) Reservations of amounts.—Of the amount made available under paragraph (1)—
(A) $100,000,000 shall be used to provide grants under the program described in that paragraph to recipients of grants under that program that were awarded before the date of enactment of this Act for projects to respond to the COVID–19 pandemic;

(B) $100,000,000 shall be used to provide grants under the program described in that paragraph to organizations that serve socially disadvantaged farmers or ranchers (as defined in section 355(e) of the Consolidated Farm and Rural Development Act (7 U.S.C. 2003(e)));

(C) $25,000,000 shall be used for grants under paragraph (5) of section 210A(d) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c(d)) to carry out market rebuilding projects authorized under paragraph (2)(K) of that section; and

(D) $25,000,000 shall be used for grants under paragraph (6) of that section to carry out those market rebuilding projects.

(3) MARKET REBUILDING PROJECTS.—Section 210A(d)(2) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c(d)(2)) is amended—
(A) in subparagraph (I), by striking “or” at the end;

(B) in subparagraph (J)(ii), by striking the period at the end and inserting “; or”; and

(C) by adding at the end the following:

“(K) to rebuild a market for a value-added agricultural product that has been impacted by COVID–19 during the period beginning on the date of enactment of this subparagraph and ending on the last day of the second fiscal year beginning after that date of enactment.”.

(4) PAYMENTS FOR COVID–19 LOSSES.—Section 210A(d) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c(d)) is amended by adding at the end the following:

“(7) PAYMENTS FOR COVID–19 LOSSES.—

“(A) IN GENERAL.—The Secretary may make payments to entities eligible to receive a grant under paragraph (5) or (6) that submit to the Secretary an application at such time, in such manner, and containing—

“(i) a description of how the business of the applicant has been impacted by COVID–19;
“(ii) a narrative explaining how the applicant proposes to use those payments to expand the capacity of the sales of the applicant to properly package and sell agricultural products to consumers; and

“(iii) such other information as the Secretary may require.

“(B) Applicability of limitations.—A payment under this paragraph shall not be subject to the limitations specified in subparagraphs (D) and (E) of paragraph (5) or (6), as applicable.”.

(b) Waiver of Matching Funds Requirements.—

(1) Definition of covered period.—In this subsection, the term “covered period” means the period beginning on the date of enactment of this Act and ending on the last day of the second fiscal year beginning after that date of enactment.

(2) Value-added producer grants.—Subparagraph (E) of section 210A(d)(5) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627e(d)(5)) shall not apply to a grant awarded under that section during the covered period.
(3) Farmers’ markets and local food promotion program.—Subparagraph (E) of section 210A(d)(6) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c(d)(6)) shall not apply to a grant awarded under that section during the covered period.

(4) Regional partnerships.—Paragraph (4) of section 210A(e) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1627c(e)) shall not apply to a grant awarded under that section during the covered period.

(5) Beginning farmer and rancher development grant program.—Paragraph (5) of section 2501(d) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(d)) shall not apply to a grant awarded under that section during the covered period.

SEC. 7. FARM MICROLOANS.

Section 313(c) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1943(c)) is amended—

(1) in paragraph (2), by striking “$50,000” and inserting “$100,000”; and

(2) by adding at the end the following:

“(5) COVID–19 response.—

“(A) Definitions.—In this paragraph:
“(i) COVERED MICROLOAN.—The term ‘covered microloan’ means a direct or guaranteed microloan under this subsection—

“(I) that is outstanding as of the date of enactment of this paragraph; or

“(II) that is made or guaranteed by the Secretary during the covered period.

“(ii) COVERED PERIOD.—The term ‘covered period’ means the period beginning on the date of enactment of this paragraph and ending on the last day of the second fiscal year beginning after the date on which the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID–19 is lifted.

“(B) EXEMPTIONS.—

“(i) PROHIBITION OF LOANS FOR BORROWERS THAT HAVE RECEIVED DEBT FORGIVENESS.—Notwithstanding section
373(b)(1), a borrower shall not be ineligible to receive a covered microloan because the borrower has received debt forgiveness described in subparagraph (A) or (B) of that section.

“(ii) Prohibition on delinquent borrowers obtaining loans.—Notwithstanding section 373(a) or any other provision of law, a borrower shall not be ineligible to receive a covered microloan because the borrower is delinquent on any loan made or guaranteed under this title or any other Federal law.

“(iii) Requirement to be unable to obtain credit elsewhere.—Notwithstanding sections 302(a)(1)(D), 311(a)(1)(D), and 333(1)(A), a borrower shall not be required to demonstrate an inability to obtain sufficient credit elsewhere to be eligible to receive a covered microloan.

“(iv) Citizenship requirement.—Notwithstanding sections 302(a)(1)(A) and 311(a)(1)(A), a borrower shall not be re-
quired to be a citizen of the United States to receive a covered microloan.

“(v) ACCEPTABLE CREDIT HISTORY REQUIREMENT.—Notwithstanding any other provision of this title, a borrower shall not be ineligible to receive a covered microloan because the borrower has a lack of an acceptable credit history.

“(C) EXTENSION OF TERMS; INTEREST ASSISTANCE.—

“(i) EXTENSION OF TERMS.—The Secretary shall extend the term of a covered microloan for a period of 10 years at an interest rate of—

“(I) 1 percent or less; or

“(II) in the case of guaranteed covered microloan under clause (ii), zero percent.

“(ii) INTEREST ASSISTANCE FOR GUARANTEED MICROLOANS.—

“(I) IN GENERAL.—The Secretary shall enter into contracts under section 351 to reduce the interest rate paid by a borrower on a guaranteed covered microloan to zero percent for...
the remaining term of the guaranteed covered microloan.

“(II) Exemption of requirement to be unable to obtain credit elsewhere.—Notwithstanding section 351(b)(1)(A), a borrower shall not be required to demonstrate an inability to obtain sufficient credit elsewhere to be eligible for an interest rate reduction described in subclause (I).

“(D) Direct appropriation.—There is appropriated for the Department of Agriculture, out of amounts in the Treasury not otherwise appropriated, $350,000,000 for each fiscal year during the covered period to make and guarantee microloans under this subsection.

“(6) Priority.—In making and guaranteeing microloans under this subsection, the Secretary shall give priority to—

“(A) beginning farmers or ranchers;

“(B) socially disadvantaged farmers or ranchers (as defined in section 355(e)); and
“(C) owners or operators of niche or non-traditional farm operations, as defined by the Secretary.”