SENATE BILL NO. 282—SENATORS CANNIZZARO, SCHEIBLE, PAZINA, CRUZ-CRAWFORD, NGUYEN; DALY, DOÑATE, DONDERO LOOP, FLORES, OHRENSCHALL AND TAYLOR

## MARCH 5, 2025

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to food security. (BDR 18-75)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation not included in Executive Budget.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material; is material to be omitted.

AN ACT relating to food; requiring the Department of Health and Human Services to establish and administer the Grocery Initiative to award grants of money and provide technical assistance and other information to certain grocery stores in this State for certain purposes; revising the duties of the Council on Food Security; making an appropriation; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:** 

Existing law creates the Council on Food Security within the Department of Health and Human Services which is charged with various duties relating to food security. (NRS 232.4966, 232.4968) **Section 3** of this bill requires the Department, in coordination with the Council, to establish and administer the Grocery Initiative to award grants of money and provide technical assistance and other information to certain grocery stores in this State to expand access to healthy foods in food deserts and areas at risk of becoming food deserts. To the extent money is available, **section 3** requires the Department to award grants of money to certain grocery stores for certain purposes.

**Section 5** of this bill requires the Department, to the extent money is available, to: (1) provide technical assistance to any grocery store awarded a grant of money from the Grocery Initiative and other small, independent grocery stores in this State; and (2) make certain information and materials available on the Internet website of the Department to assist the growth and development of grantees and other grocery stores in this State.

Section 5 authorizes the Department to apply for and accept gifts, grants, donations and contributions to carry out its duties pursuant to the provisions of sections 2-5.





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**Section 4** of this bill sets forth certain requirements for a grocery store to be eligible to receive assistance from the Grocery Initiative.

Section 2 of this bill defines "food desert" for the purposes of sections 3 and 5 and the provisions of existing law relating to the Department. Section 6 of this bill applies certain definitions in existing law relating to the Department to the provisions of sections 2-5.

**Section 7** of this bill requires the Council to research and develop recommendations relating to food insecurity in urban and rural food deserts in this State. **Section 9** of this bill requires the Council to submit a written report to the 84th Session of the Legislature summarizing this research and recommendations.

**Section 8** of this bill appropriates \$10,000,000 to the Department for the Grocery Initiative to award grants of money and provide technical assistance and other information to grocery stores in this State pursuant to **sections 3 and 5**.

## THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 232 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 5, inclusive, of this act.
- Sec. 2. 1. Except as otherwise provided in subsection 2, for the purposes of NRS 232.496 to 232.4969, inclusive, and sections 2 to 5, inclusive, of this act, a food desert is a census tract that in the immediately preceding census meets one of the following:
  - (a) Poverty standards:

- (1) At least 20 percent of households within the census tract have a household income that falls below the federally designated level signifying poverty;
- (2) The census tract is not located within a metropolitan statistical area, as defined by the United States Office of Management and Budget, and the median family income within the tract is 80 percent or less than the median household income in this State; or
- (3) The census tract is located within a metropolitan statistical area, as defined by the United States Office of Management and Budget, and the median family income within the tract is 80 percent or less than the greater of the median household income in this State or the median family income in the metropolitan statistical area; and
  - (b) Population and food accessibility standards:
- (1) The census tract is a rural tract and at least 33 percent of the population of the census tract or 500 or more residents of the census tract reside more than 10 miles from the nearest grocery store; or
- (2) The census tract is an urban tract and at least 33 percent of the population of the census tract or 500 or more





residents of the census tract reside more than 0.5 miles from the nearest grocery store.

2. The Council on Food Security may by regulation designate as a food desert one or more existing areas that do not meet the requirements set forth in subsection 1 based on data that includes, without limitation, poverty levels and access to grocery stores.

3. As used in this section:

- (a) "Block" means the smallest geographical unit whose boundaries were designated by the Bureau of the Census of the United States Department of Commerce in its topographically integrated geographic encoding and referencing system.
- (b) "Block group" means a combination of blocks whose numbers begin with the same digit.
  - (c) "Census tract" means a combination of block groups.
- (d) "Rural tract" means a census tract that is not an urban tract.
- (e) "Urban tract" means a census tract with a geographic centroid located in an urban area designated by the Bureau of the Census of the United States Department of Commerce.
- Sec. 3. 1. The Department shall, in coordination with the Council on Food Security, establish and administer the Grocery Initiative to award grants of money and provide technical assistance and other information to grocery stores in this State to expand access to healthy foods in food deserts and any areas at risk of becoming food deserts in this State.
- 2. The Department shall, to the extent money is available, award grants of money from the Grocery Initiative established pursuant to subsection 1 to a grocery store in this State for:
  - (a) Studies of market and site feasibility;
  - (b) Marketing and promotional materials;
- (c) Paying the salaries or benefits of persons employed by the grocery store;
- (d) Paying the rent of the building or making a down payment on the purchase of a building or other facility of the grocery store;
- (e) Purchasing ownership of an existing grocery store to establish a new grocery store;
- (f) Capital improvements, planning, renovations, land acquisition, demolition or equipment purchases; or
- (g) Any other costs the Department determines are eligible for a grant.
- 3. In addition to the provisions of subsection 2 and except as otherwise provided in this subsection, the Department may award grants of money from the Grocery Initiative to existing grocery stores in this State for equipment upgrades. The award of a grant of money pursuant to this subsection must prioritize equipment





that is energy efficient. The Department may not award more than 20 percent of the total amount available in any fiscal year for the Grocery Initiative to award grants of money pursuant to this subsection.

4. The Department may establish:

- (a) Limitations on the size of grocery stores which are eligible to receive a grant, which may include, without limitation, limitations based on the annual revenue or projected revenue of the grocery store, the number of full-time employees of the grocery store or the square footage of the grocery store; and
- (b) Priorities for the award of grants from the Grocery Initiative, which may include, without limitation, poverty levels and median household income in the area, geographic diversity of the area, local ownership, access to grocery stores in the area or any other factors established by the Department.
- 5. The Director may, based upon the recommendations of the Council on Food Security, adopt regulations to carry out the provisions of this section.
- Sec. 4. A grocery store is eligible to receive assistance from the Grocery Initiative established by the Department pursuant to section 3 of this act if the grocery store is an existing or planned retail establishment, whether organized for profit or not for profit and whether independently owned, cooperatively owned or owned and operated by a local government, which:
- 1. Is principally devoted to the business of selling groceries, including, without limitation, fresh fruits and vegetables;
- 2. In a county whose population is 100,000 or more, derives or will derive not more than 30 percent of its gross revenue from sales of tobacco and alcohol in any given year;
- 3. Accepts or will accept payment from benefits authorized under Supplemental Nutrition Assistance or the Special Supplemental Nutrition Program for Women, Infants and Children established by 42 U.S.C. § 1786; and
- 4. Provides or will provide for the retail sale of a substantial variety of perishable foods, including, without limitation, fresh or frozen dairy products and fresh fruits, vegetable, meats, poultry and fish.
- Sec. 5. 1. To the extent money is available, the Department:
  (a) Shall provide technical assistance to any person awarded a grant from the Grocery Initiative and to other small, independently owned grocery stores in this State to ensure the long-term viability and business success of the grantee or independent grocery store. The technical assistance may include, without limitation, business planning, marketing, financing, supply chain management and workforce development assistance.





- (b) Shall make available on the Internet website of the Department information and materials to assist the growth and development of grantees and other grocery stores in this State.
- (c) May enter into contracts and other lawful agreements with public or private entities to carry out the requirements of this section.
  - 2. The Department may apply for and accept gifts, grants, donations and contributions from any source to carry out the provisions of sections 2 to 5, inclusive, of this act.
    - **Sec. 6.** NRS 232.290 is hereby amended to read as follows:
  - 232.290 As used in NRS 232.290 to 232.4983, inclusive, *and sections 2 to 5, inclusive, of this act,* unless the context requires otherwise:
  - 1. "Department" means the Department of Health and Human Services.
    - 2. "Director" means the Director of the Department.
  - **Sec. 7.** NRS 232.4968 is hereby amended to read as follows: 232.4968 The Council on Food Security created by NRS 232.4966 shall:
    - 1. Develop, coordinate and implement a food system that will:
  - (a) Partner with initiatives in economic development and social determinants of health;
    - (b) Increase access to improved food resource programs;
  - (c) Increase participation in federal nutrition programs by eligible households; and
  - (d) Increase capacity to produce, process, distribute and purchase food in an affordable and sustainable manner.
  - 2. Research and develop recommendations on community gardens and urban farms, which must include, without limitation:
    - (a) Examinations of:
  - (1) Local and regional efforts to develop community gardens and urban farms;
  - (2) Regulatory and policy barriers to the development of community gardens and urban farms; and
  - (3) The potential effects of community gardens and urban farms on economic development in this State; and
    - (b) Recommendations to:
  - (1) Promote the use of community gardens and urban farms in this State;
  - (2) Strengthen local infrastructure for community gardens and urban farms; and
- (3) Promote entrepreneurial efforts to develop community gardens and urban farms.



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- 3. Research and develop recommendations relating to food insecurity in urban and rural food deserts in this State, which may, without limitation:
  - (a) Include an exploration of:

- (1) The reasons for current market failures and potential solutions to such market failures;
- (2) Geographic trends relating to food security in urban and rural food deserts;
  - (3) The need for independent grocery stores; and
- (4) Any disparities in ownership of grocery stores by minority groups, women and persons with disabilities.
  - (b) Identify areas in this State at risk of becoming food deserts.
- 4. Hold public hearings to receive public comment and to discuss issues related to food security in this State.
- [4.] 5. Serve as a clearinghouse for the review and approval of any events or projects initiated in the name of the Plan.
- [5.] 6. Review and comment on any proposed federal, state or local legislation and regulation that would affect the food policy system of this State.
- [6.] 7. Advise and inform the Governor on the food policy of this State.
- [7.] 8. Review grant proposals and alternative funding sources as requested by the Director to provide recommendations for funding the Plan.
  - [8.] 9. Develop new resources related to the Plan.
- [9.] 10. Advise, assist and make recommendations to the Director for the creation and administration of the Program.
- [10.] 11. On or before January 31 of each year submit an annual report to the Director and the Director of the Legislative Counsel Bureau concerning the accomplishments and recommendations of the Council concerning food security, including, without limitation, any recommendations concerning food deserts, community gardens and urban farms.
- **Sec. 8.** 1. There is hereby appropriated from the State General Fund to the Department of Health and Human Services the sum of \$10,000,000 for the Grocery Initiative established pursuant to section 3 of this act to award grants of money and provide technical assistance and other information and materials to grocery stores in this State pursuant to sections 3, 4 and 5 of this act. The Department may expend not more than 1 percent of the money appropriated pursuant to this section for the administrative costs associated with operating the program.
- 2. Any remaining balance of the appropriation made by subsection 1 must not be committed for expenditure after June 30, 2027, by the entity to which the appropriation is made or any entity





to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2027, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2027.

**Sec. 9.** On or before February 1, 2027, the Council on Food Security created by NRS 232.4966 shall submit to the Director of the Legislative Counsel Bureau for transmittal to the 84th Session of the Legislature a written report summarizing the research and recommendations developed by the Council pursuant to subsection 3 of NRS 232.4968, as amended by section 7 of this act, relating to food insecurity in urban and rural food deserts in this State.





