### THE GENERAL ASSEMBLY OF PENNSYLVANIA

# SENATE BILL

No. 661

Session of 2019

INTRODUCED BY J. WARD, VOGEL, STEFANO, AUMENT, K. WARD, BAKER AND BROWNE, MAY 17, 2019

AS REPORTED FROM COMMITTEE ON AGRICULTURE AND RURAL AFFAIRS, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 20, 2019

#### AN ACT

2 3 4	Statutes, providing for the Commonwealth Specialty Crop Block Grant Program and establishing the Commonwealth Specialty Crop Block Grant Fund.
5	The General Assembly of the Commonwealth of Pennsylvania
6	hereby enacts as follows:
7	Section 1. Title 3 of the Pennsylvania Consolidated Statutes
8	is amended by adding a part to read:
9	<u>PART IX</u>
10	<u>GRANT PROGRAMS</u>
11	<u>Chapter</u>
12	101. (Reserved)
13	103. (Reserved)
14	105. Commonwealth Specialty Crop Block Grant Program
15	CHAPTER 101
16	(Reserved)
17	CHAPTER 103
18	(Reserved)

# 1 <u>CHAPTER 105</u>

## 2 COMMONWEALTH SPECIALTY CROP BLOCK GRANT PROGRAM

- 3 Sec.
- 4 <u>10501</u>. <u>Declaration of purpose</u>.
- 5 10502. Definitions.
- 6 10502.1. Establishment of program.
- 7 <u>10503</u>. Authority.
- 8 <u>10504. Eligible applicants and projects.</u>
- 9 <u>10505</u>. Allocation of money.
- 10 10506. Use of grant money by recipients.
- 11 10507. Audit and recordkeeping.
- 12 10508. Commonwealth Specialty Crop Block Grant Fund.
- 13 <u>10509</u>. Applicability.
- 14 § 10501. Declaration of purpose.
- The purpose of this chapter is to enhance, but not replace,
- 16 the Federal Specialty Crop Block Grant Program by establishing a
- 17 Commonwealth Specialty Crop Block Grant Program to give priority
- 18 to specialty crops that are not currently eligible for grant
- 19 payments under the Federal Specialty Crop Block Grant Program.
- 20 Funding will assist the growth, certification of seed and
- 21 marketing of high-priority specialty crops, as defined by the
- 22 secretary under this chapter.
- 23 § 10502. Definitions.
- 24 The following words and phrases when used in this chapter
- 25 shall have the meanings given to them in this section unless the
- 26 context clearly indicates otherwise:
- 27 "Crop." Plants that are cultivated for sale, production,
- 28 processing or subsistence. The term does not include wild
- 29 plants.
- 30 "Eligible specialty crop." A specialty crop designated as a

- 1 <u>high-priority specialty crop by the secretary, with priority</u>
- 2 given to crops, plants and products that are not currently
- 3 eligible for funding under the Federal Specialty Crop Block
- 4 Grant Program.
- 5 <u>"Federal Specialty Crop Block Grant Program." The Specialty</u>
- 6 Crops Competitiveness Act of 2004 (Public Law 108-465, 118 Stat.
- 7 3882).
- 8 <u>"General evaluation criteria." The evaluation criteria</u>
- 9 established by the department and utilized for the Federal
- 10 Specialty Crop Block Grant Program.
- 11 "Horticultural crops CROP." A crop that is used by people <--
- 12 <u>for food, medicinal purposes and OR aesthetic gratification.</u> <--
- 13 "Population density." The total population of this
- 14 Commonwealth as determined by the most recent Federal decennial
- 15 census, divided by the total area of this Commonwealth in square
- 16 miles.
- 17 "Program." The Commonwealth Specialty Crop Block Grant
- 18 Program established under section 10502.1 (relating to
- 19 establishment of program).
- 20 "Rural municipality." A municipality of this Commonwealth
- 21 with a population density less than the Statewide average
- 22 population density or a total population less than 2,500, unless
- 23 more than 50% of the population lives in an urbanized area, as
- 24 <u>defined by the United States Census Bureau.</u>
- 25 <u>"Silvicultural product." A product of a forest or woodland,</u>
- 26 <u>including</u>, but not limited to, timber.
- 27 "Specialty crop." A horticultural crop or silvicultural
- 28 product, a plant cultivated and utilized for fiber or biofuel
- 29 purposes or an apiary product.
- 30 "Urban municipality." A municipality of this Commonwealth

- 1 <u>not defined as a rural municipality.</u>
- 2 § 10502.1. Establishment of program.
- 3 The Commonwealth Specialty Crop Block Grant Program is
- 4 <u>established in the department.</u>
- 5 <u>§ 10503</u>. Authority.
- 6 (a) Duties of department -- The department shall have the
- 7 <u>following duties:</u>
- 8 (1) To administer this chapter in a manner consistent
- 9 <u>with the general evaluation criteria, including the</u>
- 10 application, evaluation and reporting processes required and
- 11 <u>employed under the annual Federal Specialty Crop Block Grant</u>
- 12 <u>Program.</u>
- 13 (2) To develop all necessary documents and transmit a
- 14 <u>notice of all parameters of the program, including eligible</u>
- 15 specialty crops, evaluation criteria, submittal dates,
- 16 <u>application and reporting forms and requirements and template</u>
- 17 grant agreements to the Legislative Reference Bureau for
- 18 publication in the Pennsylvania Bulletin and on the
- 19 department's publicly available Internet website.
- 20 (b) Specific allocation and nonliability. -- The program shall
- 21 only be administered in years in which money is specifically
- 22 allocated or received and made available to the department under
- 23 this chapter for that purpose. The department shall not be
- 24 liable for any commitment or for completion of a partially
- 25 completed or partially funded project which cannot be completed
- 26 due to the unavailability of Commonwealth money or future
- 27 <u>Commonwealth appropriations.</u>
- 28 § 10504. Eligible applicants and projects.
- 29 The following eligibility criteria shall apply to applicants
- 30 and grant projects:

1	(1) State and local organizations, producer
2	associations, academia, community-based organizations and
3	other eligible specialty crops stakeholders are eligible to
4	apply.
5	(2) Projects shall enhance the competitiveness of
6	eligible specialty crops and benefit the eligible specialty
7	crop industry as a whole and may include, but are not limited
8	to, projects such as:
9	(i) Increasing child and adult nutrition knowledge
10	and consumption of specialty crops.
11	(ii) Participation of industry representatives at
12	meetings of international standard setting bodies in
13	which the Federal Government participates.
14	(iii) Improving efficiency and reducing costs of
15	distribution systems.
16	(iv) Assisting all entities in the specialty crop
17	distribution chains in developing good agricultural
18	practices, good handling practices, good manufacturing
19	practices and in cost-share arrangements for funding
20	audits of such systems for small farmers, packers and
21	processors.
22	(v) Investing in specialty crop research, including
23	organic research to focus on conservation and
24	environmental outcomes and enhancing food safety.
25	(vi) Developing new and improved seed varieties and
26	specialty crops.
27	(vii) Pest and disease control.
28	(viii) Sustainability.
29	(3) To be considered an eligible specialty crop, a
30	specialty crop must meet the parameters established by the

- 1 secretary. Processed products shall consist of greater than
- 2 50% of the eligible specialty crop by weight, exclusive of
- 3 added water.
- 4 (4) Grants may not be awarded to projects that directly
- 5 benefit a particular commercial product or provide a profit
- 6 <u>to a single organization, institution or individual.</u>
- 7 (5) Grants may be awarded to recipients and projects for
- 8 <u>up to two years.</u>
- 9 § 10505. Allocation of money.
- 10 Money that is allocated to or received by the department
- 11 <u>under section 10508 (relating to Commonwealth Specialty Crop</u>
- 12 Block Grant Fund) shall be allocated for administration of this
- 13 <u>chapter in accordance with the following formula:</u>
- 14 (1) An amount of up to 8% of the money may be used by
- the department for administrative costs.
- 16 (2) An amount equal to 6.2% of the money shall be
- 17 allocated to recipients and projects located in rural
- 18 municipalities where at least 20% of the population has been
- 19 below the Federal poverty line since 1990 based on census
- 20 data.
- 21 (3) An amount equal to 3.8% of the money shall be
- 22 allocated to recipients and projects located in urban
- 23 municipalities where at least 20% of the population has been
- 24 below the Federal poverty line since 1990 based on census
- 25 data.
- 26 (4) The balance of the money remaining after making
- 27 <u>allocations under paragraphs (1), (2) and (3) shall be</u>
- allocated to recipients and projects in a manner which seeks
- 29 <u>to distribute the money evenly among types of eligible</u>
- 30 specialty crops and, where practicable, in a manner that

- distributes the money across this Commonwealth.
- 2 § 10506. Use of grant money by recipients.
- 3 (a) Recipients. -- Money that is allocated to recipients by
- 4 the department shall be used only for approved projects in
- 5 accordance with this chapter, program parameters and grant
- 6 <u>agreements</u>.
- 7 (b) Violations.--It shall be unlawful for a person to
- 8 violate:
- 9 <u>(1) the terms or provisions of this chapter;</u>
- 10 (2) the program parameters developed under this chapter;
- 11 <u>or</u>
- 12 (3) a signed grant agreement established under this
- chapter.
- 14 § 10507. Audit and recordkeeping.
- 15 <u>(a) Requirements.--The department shall establish and</u>
- 16 enforce the audit and recordkeeping requirements as established
- 17 under the annual Federal Specialty Crop Block Grant Program and
- 18 publish the requirements on the department's publicly accessible
- 19 Internet website. The department shall transmit notice of the
- 20 audit and recordkeeping requirements to the Legislative
- 21 Reference Bureau for publication in the Pennsylvania Bulletin.
- 22 (b) Authority to investigate. -- The department may
- 23 investigate the records of a recipient under this chapter. The
- 24 recipient shall provide the recipient's records upon the
- 25 department's request. A recipient shall allow the department to
- 26 conduct on-site inspections as necessary to assure compliance
- 27 with this chapter, the program parameters developed under this
- 28 chapter or a signed grant agreement established under this
- 29 chapter.
- 30 § 10508. Commonwealth Specialty Crop Block Grant Fund.

- 1 (a) Establishment. -- The Commonwealth Specialty Crop Block
- 2 Grant Fund is established as a special nonlapsing fund in the
- 3 State Treasury. All money derived from fines and civil
- 4 penalties, judgments and interest collected or imposed under
- 5 this chapter shall be paid into the fund. All money placed into
- 6 the fund and the interest the fund accrues are hereby
- 7 appropriated to the department on a continuing basis for any
- 8 <u>activities necessary to meet the requirements of this chapter.</u>
- 9 (b) Supplements to fund. -- The Commonwealth Specialty Crop
- 10 Block Grant Fund may be supplemented by money received from the
- 11 <u>following sources:</u>
- 12 (1) State money appropriated to the department.
- 13 (2) Federal money appropriated to the department.
- 14 (3) Gifts and other contributions from public and
- 15 private sources.
- 16 § 10509. Applicability.
- 17 This chapter shall apply to the distribution of money of the
- 18 Commonwealth Specialty Crop Block Grant Fund allocated or
- 19 received by the department beginning with the fiscal year 2019-
- 20 2020 and thereafter.
- 21 Section 2. This act shall take effect in 60 days.