

SENATE ECONOMIC GROWTH COMMITTEE

STATEMENT TO

SENATE, No. 3403

with committee amendments

STATE OF NEW JERSEY

DATED: MARCH 11, 2021

The Senate Economic Growth Committee reports favorably and with committee amendments Senate Bill No. 3403.

As amended and reported, this bill directs the Secretary of Agriculture to develop, establish, and implement a food bank funding program to provide consistent, ongoing grant funding to food banks and organizations operating food banks in the State that provide food to food insecure households in the State. The bill also directs the Secretary of Agriculture, in consultation with the Commissioner of Health, to establish a definition of “food insecure household;” determine annually, the food banks or organizations in the State that serve the highest percentage of food insecure households in the State; determine, in consultation with the food banks and organizations, a fair, equitable, and appropriate funding mechanism; and to allocate funding accordingly. The bill requires the funding to be allocated based on the formula determined by the secretary in consultation with the food banks and organization, but in an amount not exceeding available funding. It restricts the use of the grants to food banks and organizations to pay only for the costs of the food and food distribution to food insecure households.

The bill establishes in the Department of Agriculture a special non-lapsing fund to be known as the "Food Insecurity Fund," (fund) to be administered by the Secretary of Agriculture, and to be credited with moneys appropriated by the Legislature for the food bank funding program. The bill requires the Department of Agriculture to annually request funding for the food bank funding program as part of its annual budget request, and to provide grants up to the balance of the funds in the “Food Insecurity Fund” in each State fiscal year. The bill also clarifies that all food banks and organizations operating food banks within the State are to be eligible for grants from the fund.

The committee amended the bill to require the secretary to consult with food banks and organizations in determining a fair, equitable, and appropriate funding formula for distribution of grants from the fund rather than in a manner directly proportional to the number of households served. The amendments remove the role of the

Department of Agriculture in determining whether expenditures of grant funds to distribute food to food insecure households is reasonable. The amendments also remove provisions relating to the solicitation and acceptance of donations into the fund. Finally, the amendments clarify that any food bank or organization operating food banks in the State are eligible for grants from the fund.