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Bipartisan “Healthy Food Financing” Bills Would Create Jobs and Cut Childhood Obesity

Business leaders, community advocates applaud effort to open fresh food stores in “food deserts”

FOR IMMEDIATE RELEASE

November 30, 2010, Washington, D.C. – A bipartisan coalition in the House and Senate today introduced bills that will invest \$500 million to dramatically reduce the number of low-income Americans living in so-called “food deserts” – all while helping combat the childhood obesity crisis nationwide and potentially creating or preserving 44,500 full-time jobs and 50,000 construction jobs.

The [Healthy Food Financing Initiative](#) would leverage private investment through federal loans and grants to create or expand fresh food outlets in underserved communities. The initiative’s public-private partnership would also provide a market-based approach to address the obesity crisis in these communities, where nearly 1 in 3 children and adolescents are overweight or obese.

An estimated 25 million Americans have limited access to a nearby full-service supermarket selling fresh foods. Access to healthy food is associated with lower risk for obesity and other diet-related chronic diseases, according to [The Grocery Gap](#), a 2010 report by PolicyLink and The Food Trust. The loans and grants from the Healthy Food Financing Initiative would help supermarkets and other fresh food retailers open new stores or expand their fresh food offerings in low-income rural, suburban and urban areas.

The Senate lead sponsor is Sen. Kirsten Gillibrand (D-NY), with co-sponsors Sherrod Brown (D-OH), Tom Carper (D-DE), Bob Casey (D-PA), Tom Harkin (D-IA), Frank Lautenberg (D-NJ), Bernie Sanders (I-VT), Chuck Schumer (D-NY), Arlen Specter (D-PA), Debbie Stabenow (D-MI). The House lead sponsor is Rep. Allyson Schwartz (D-PA-13), with co-sponsors Michael Burgess (R-TX-26), Earl Blumenauer (D-OR-3), Chaka Fattah (D-PA-2), Nydia Velazquez (D-NY-12), and Bobby L. Rush (D-IL-1)

“Obesity and diabetes rates are reaching crisis proportions in our country and it is time to take aggressive action,” said **Sen. Gillibrand**, who, as the first New Yorker to serve on the Senate Agriculture Committee in nearly 40 years, is helping lead the fight in the Senate to combat child obesity and promote good health. “Millions of New Yorkers do not have access to fresh, healthy food. By building new grocery stores in underserved areas across the state we can give people the opportunity to live longer, healthier lives, save billions in health care costs, and create tens of thousands of good-paying jobs.”

“Americans living in some communities face substantive challenges accessing fresh foods and lack the opportunity to make healthy food choices for themselves and their family,” said **Republican Rep. Michael C. Burgess, (TX), one of the few medical doctors serving in the House.** “This legislation will stimulate the economy by bringing jobs to some of the hardest hit areas while also providing and encouraging healthy eating – choices which will combat disease and increase the quality of life. The coupling of these two initiatives will benefit families, communities and the country as a whole.

The initiative is modeled after the highly successful Pennsylvania Fresh Food Financing Initiative, which turned \$30 million of state seed money into \$190 million of additional investment since it began in 2004 – creating or retaining over 5,000 jobs and opening 88 new or improved fresh food stores throughout the state.

“We have a growing epidemic of obesity in this country, especially with our children, and providing healthy food options in underserved rural, urban and suburban areas will improve the health of our families and reduce health disparities,” said **Rep. Allyson Schwartz (PA-13), the bill’s lead sponsor in the House.** “This initiative is an important public-private partnership that as we continue to rebuild our economy will create steady jobs at decent wages, as well improve our communities and revitalize our neighborhoods.”

President Obama proposed \$345 million to fund the initiative in the FY 2011 budget. Congressional appropriators have been receptive to that funding request thus far. The bill introduced today would authorize USDA to administer a mix of loans and grants to provide one-time start-up assistance for supermarkets, corner stores, co-ops, and farmers’ markets. In the Pennsylvania effort, projects were completed in as little as four months from the time funding became available.

“Independent grocers are uniquely positioned to help eradicate food deserts, in part because of their ability to adjust individual projects to the needs of the local community, as well as their strong commitment to the communities which they serve,” said **Peter J. Larkin, President and CEO of the National Grocers Association (NGA).** “The Healthy Food Financing Initiative is an important piece of legislation that will go a long way towards eliminating food deserts while adding quality jobs and tax revenue directly to those local communities. N.G.A. and our members look forward to working with Congress to quickly pass this important legislation, and to continuing efforts to eliminate food deserts across the country.”

“By supporting new supermarkets and healthy food retailers, we can spur economic development, support our farmers, and increase access to Michigan-grown options for families,” said **Sen. Debbie Stabenow, incoming Chairwoman of the Senate Agriculture Committee.** “The bipartisan Healthy Food Financing Initiative will do just that by creating partnerships between USDA and businesses to serve communities across the country.”

High start-up costs or limited access to credit often prevent local grocery owners from opening new outlets in underserved communities, even though many grocery stores that have recently opened in “food deserts” have proven very successful. The initiative would help grocery owners meet the pent up demand in these communities while also serving the health needs of those communities.

“Every family should be able to access nutritious, healthy food near their homes,” said **Judith Bell, President of PolicyLink, a national research and advocacy organization.** “The bills introduced today could help millions of Americans eat healthier and, in turn, live longer. Too many low-income people live far from a fresh food store – either in cities or suburbs that have lost supermarkets or in rural areas that never had them to begin with. This idea is ripe – it's time to harvest it.”

“The Healthy Food Financing Initiative is an opportunity to build healthier communities throughout the country,” **said Yael Lehmann, Executive Director of The Food Trust.** “By encouraging supermarket development, this initiative will bring much-needed jobs and affordable, nutritious food to communities where parents struggle to find healthy food for their children.”

“Today’s bill is a powerful response to the problem of inadequate access to healthy, affordable food for millions of Americans,” **said Jeremy Nowak, President and CEO of The Reinvestment Fund.** “Supermarket and grocery stores are part of the basic amenities every community must have. They represent more than healthy food choices – they are also about jobs and community revitalization.”

To learn more about the Pennsylvania Fresh Food Financing Initiative, please contact Patricia Smith, Senior Policy Advisor, The Reinvestment Fund at patricia.smith@trfund.com, or John Weidman, Deputy Director, The Food Trust at jweidman@thefoodtrust.org.

For more information on the federal Healthy Food Financing Initiative, please visit www.PolicyLink.org/HFFI or contact Janet Dickerson, Press Secretary, PolicyLink at janet@policylink.org.

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