

BILL ANALYSIS

C.S.H.B. 3541
By: Rose
Human Services
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Reports indicate that low-income families are disproportionately impacted by obesity, and although fresh fruits and vegetables may carry a higher price tag, the consumption of these foods is directly linked to reduced rates of obesity and certain chronic diseases, such as diabetes and hypertension. There have been calls for the state to incentivize supplemental nutrition assistance program (SNAP) recipients to purchase certain fruits or vegetables to help improve their health and well-being. It has been suggested that farmers, grocery store owners, farmers' market vendors, and small retail stores would also benefit from such an incentive program by way of higher sales of locally grown produce. C.S.H.B. 3541 provides for the establishment of a pilot program to incentivize the purchase of Texas-grown fruits or vegetables under SNAP.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the executive commissioner of the Health and Human Services Commission in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 3541 amends the Human Resources Code to authorize the Health and Human Services Commission (HHSC) to establish a pilot program through which:

- a recipient of supplemental nutrition assistance program (SNAP) benefits receives a financial incentive when purchasing eligible fruits or vegetables from a retailer that may be used toward a subsequent purchase of eligible fruits or vegetables; and
- a retailer may publicize the incentive to SNAP recipients.

The bill requires HHSC to establish a work group for, among other purposes, providing input for the establishment of the pilot program. The bill provides for the composition of the work group, requires the executive commissioner of HHSC to appoint one member to serve as the presiding officer, and sets out other provisions relating to the work group.

C.S.H.B. 3541 authorizes HHSC to contract with an entity that has appropriate experience and expertise in administering comparable programs to administer the pilot program, if one is established, and authorizes HHSC to solicit and accept gifts, grants, and donations from any source to establish and administer the pilot program or to perform any other duty required by applicable bill provisions. The bill provides for the development of any necessary federal waiver applications to operate the pilot program and for the application for any available federal money to operate the program, including federal nutrition incentives available under the Agriculture Improvement Act of 2018. The bill requires the executive commissioner to submit the applicable

waiver applications. The bill authorizes HHSC to delay the operation of the pilot program, as applicable, until HHSC receives federal money to operate the program or until money is appropriated or donated to HHSC to operate the program.

C.S.H.B. 3541 requires HHSC, in consultation with the work group, to conduct a study on programs in Texas that provide incentives for the purchase of eligible fruits or vegetables under SNAP. The bill sets out the required contents of the study and authorizes HHSC to solicit and accept gifts, grants, and donations from any source to conduct the study. The bill requires HHSC, not later than December 1, 2020, to prepare and submit to the governor, the lieutenant governor, the speaker of the house of representatives, and each standing committee of the legislature having primary jurisdiction over health and human services a written report that summarizes its findings and recommendations for legislative or other action. These provisions expire September 1, 2021.

C.S.H.B. 3541 requires the executive commissioner to adopt rules necessary implement the bill's provisions.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3541 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute makes the establishment of the pilot program discretionary.

The substitute authorizes HHSC to delay the operation of the pilot program until federal money is received for its operation or until money is appropriated or donated to HHSC for that purpose.