

119TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To amend the Agricultural Marketing Act of 1946 to permanently authorize the Resilient Food Systems Infrastructure Program, to establish regional food systems hubs, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

Mr. SCHIFF (for himself, Mrs. HYDE-SMITH, Ms. KLOBUCHAR, and Mr. JUSTICE) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To amend the Agricultural Marketing Act of 1946 to permanently authorize the Resilient Food Systems Infrastructure Program, to establish regional food systems hubs, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “American Food Supply  
5 Chain Resiliency Act”.

6       **SEC. 2. FINDINGS.**

7       Congress finds that—

1 (1) a secure domestic food supply is a national  
2 security imperative for the United States;

3 (2) a resilient food supply chain in the United  
4 States is necessary for the production of an abun-  
5 dant, affordable supply of highly nutritious specialty  
6 crops, dairy, grains for human consumption, meat  
7 and poultry, aquaculture, and other food products,  
8 which are vital to the health and well-being of all  
9 people in the United States; and

10 (3) expanded capacity for the aggregation, proc-  
11 essing, manufacturing, storing, transporting, whole-  
12 saling, and distribution of locally and regionally pro-  
13 duced food products, including specialty crops, dairy,  
14 grains for human consumption, meat and poultry,  
15 aquaculture, and other food products, is needed to  
16 increase domestic supply chain resiliency and expand  
17 local, regional, and national market opportunities for  
18 producers.

19 **SEC. 3. RESILIENT FOOD SYSTEMS INFRASTRUCTURE PRO-**  
20 **GRAM.**

21 Subtitle A of the Agricultural Marketing Act of 1946  
22 (7 U.S.C. 1621 et seq.) is amended by adding at the end  
23 the following:

1 **“SEC. 210B. RESILIENT FOOD SYSTEMS INFRASTRUCTURE**  
2 **PROGRAM.**

3 “(a) DEFINITIONS.—In this section:

4 “(1) ELIGIBLE ENTITY.—The term ‘eligible en-  
5 tity’ means—

6 “(A) a local government entity that carries  
7 out middle-of-the-supply-chain activities;

8 “(B) a Tribal government that carries out  
9 middle-of-the-supply-chain activities;

10 “(C) an agricultural producer or processor,  
11 or group of agricultural producers or proc-  
12 essors;

13 “(D) a nonprofit organization that carries  
14 out middle-of-the-supply-chain activities;

15 “(E) a for-profit entity—

16 “(i) that carries out middle-of-the-  
17 supply-chain activities;

18 “(ii) that is a small business concern  
19 (as defined in section 3 of the Small Busi-  
20 ness Act (15 U.S.C. 632)); and

21 “(iii) the activities of which primarily  
22 benefit local and regional producers; and

23 “(F) an institution, such as an institution  
24 of higher education or hospital, in a partnership  
25 with agricultural producers to establish cooper-  
26 ative or shared infrastructure, or to invest in

1 equipment, that will benefit middle-of-the-sup-  
2 ply-chain activities of multiple producers.

3 “(2) INFRASTRUCTURE GRANT.—The term ‘in-  
4 frastructure grant’ means a grant made by a State  
5 under subsection (e).

6 “(3) MIDDLE-OF-THE-SUPPLY-CHAIN ACTIV-  
7 ITY.—The term ‘middle-of-the-supply-chain activity’  
8 means aggregation, processing, manufacturing, stor-  
9 ing, transporting, wholesaling, or distribution of a  
10 targeted agricultural product.

11 “(4) PROGRAM.—The term ‘program’ means  
12 the resilient food systems infrastructure program es-  
13 tablished under subsection (b).

14 “(5) SECRETARY.—The term ‘Secretary’ means  
15 the Secretary of Agriculture, acting through the Ad-  
16 ministrator of the Agricultural Marketing Service.

17 “(6) SPECIALTY CROP.—The term ‘specialty  
18 crop’ has the meaning given the term in section 3  
19 of the Specialty Crops Competitiveness Act of 2004  
20 (7 U.S.C. 1621 note; Public Law 108–465).

21 “(7) STATE.—The term ‘State’ includes—

22 “(A) American Samoa;

23 “(B) the Commonwealth of the Northern  
24 Mariana Islands; and

25 “(C) the Commonwealth of Puerto Rico.

1 “(8) TARGETED AGRICULTURAL PRODUCT.—

2 “(A) IN GENERAL.—The term ‘targeted  
3 agricultural product’ means—

4 “(i) a specialty crop;

5 “(ii) dairy;

6 “(iii) grain;

7 “(iv) meat;

8 “(v) poultry; and

9 “(vi) an aquacultural product.

10 “(B) EXCLUSIONS.—The term ‘targeted  
11 agricultural product’ does not include—

12 “(i) animal feed;

13 “(ii) fuel;

14 “(iii) cotton;

15 “(iv) fiber; or

16 “(v) any other product not intended  
17 for human consumption.

18 “(9) UNDERSERVED PRODUCER.—The term  
19 ‘underserved producer’ means—

20 “(A) a beginning farmer or rancher (as de-  
21 fined in section 2501(a) of the Food, Agri-  
22 culture, Conservation, and Trade Act of 1990  
23 (7 U.S.C. 2279(a)));

24 “(B) a veteran farmer or rancher (as de-  
25 fined in that section); and

1                   “(C) a socially disadvantaged farmer or  
2                   rancher (as defined in that section).

3           “(b) ESTABLISHMENT.—The Secretary shall estab-  
4           lish a program, to be known as the ‘resilient food systems  
5           infrastructure program’, under which the Secretary shall  
6           seek to enter into cooperative agreements with States—

7                   “(1) to build resilience in the middle of the sup-  
8                   ply chain; and

9                   “(2) to strengthen local and regional food sys-  
10                  tems by creating new revenue streams for producers  
11                  in those States.

12           “(c) APPLICATION.—

13                   “(1) IN GENERAL.—A State seeking to enter  
14                  into a cooperative agreement under the program  
15                  shall submit an application at such time, in such  
16                  manner, and containing such information as the Sec-  
17                  retary may require, including a State plan described  
18                  in paragraph (2).

19                   “(2) STATE PLAN.—A State plan submitted as  
20                  part of an application under paragraph (1) shall in-  
21                  clude—

22                           “(A) the anticipated priorities and needs of  
23                           the State in carrying out the cooperative agree-  
24                           ment;

1           “(B) a plan for awarding infrastructure  
2 grants, including—

3                   “(i) how the State will ensure that the  
4 purpose and priorities of the program are  
5 fulfilled; and

6                   “(ii) how the State will ensure the  
7 prioritization described in subsection  
8 (e)(2);

9           “(C) whether and in what manner the  
10 State will use funds for supply chain coordina-  
11 tion under subsection (f)(1);

12           “(D) a plan for conducting outreach re-  
13 quired under subsection (g); and

14           “(E) metrics that will be tracked by the  
15 State in carrying out the cooperative agree-  
16 ment.

17           “(d) COOPERATIVE AGREEMENT AMOUNTS.—

18                   “(1) VALUE BASIS.—Subject to paragraph (2),  
19 the amount that a State shall receive under a coop-  
20 erative agreement under the program for a fiscal  
21 year shall bear the same ratio to the total amount  
22 made available under subsection (j)(1) for that fiscal  
23 year as the ratio that the average of the most recent  
24 available value of the combined targeted agricultural  
25 product production in the State bears to the average

1 of the most recent available value of the combined  
2 targeted agricultural product production in all  
3 States.

4 “(2) MINIMUM AMOUNT.—A cooperative agree-  
5 ment under the program shall provide not less than  
6 \$1,000,000 to a State in a fiscal year.

7 “(e) INFRASTRUCTURE GRANTS.—

8 “(1) IN GENERAL.—A State entering into a co-  
9 operative agreement under the program shall award,  
10 on a competitive basis, grants to eligible entities for  
11 the purposes of—

12 “(A) expanding middle-of-the-supply-chain  
13 capacity for locally or regionally produced tar-  
14 geted agricultural products;

15 “(B) offering more and better market op-  
16 portunities and new streams of revenue to small  
17 and mid-sized producers of locally or regionally  
18 produced targeted agricultural products; and

19 “(C) expanding capacity and infrastructure  
20 for middle-of-the-supply-chain activities.

21 “(2) PRIORITY.—In awarding infrastructure  
22 grants under the program, a State shall give priority  
23 to projects that will benefit—

24 “(A) underserved producers;

1           “(B) processors and other middle-of-the-  
2 supply-chain businesses owned by socially dis-  
3 advantaged individuals (as defined in section 8  
4 of the Small Business Act (15 U.S.C. 637));  
5 and

6           “(C) institutions described in subsection  
7 (a)(1)(F);

8           “(D) retail markets; and

9           “(E) intermediaries in the food supply  
10 chain, such as food hubs, aggregators, whole-  
11 salers, and distributors.

12           “(3) GRANT AMOUNT.—The amount of an in-  
13 frastructure grant shall be not less than \$100,000  
14 and not more than \$3,000,000.

15           “(4) ELIGIBLE USES.—An eligible entity may  
16 use an infrastructure grant—

17           “(A) to expand capacity for processing, ag-  
18 gregation, and distribution of targeted agricul-  
19 tural products to create improved local and re-  
20 gional markets for targeted agricultural prod-  
21 ucts;

22           “(B) to modernize manufacturing, track-  
23 ing, storage, and information technology sys-  
24 tems;

1           “(C) to enhance worker safety through  
2 adoption of new technologies or investment in  
3 equipment or facility improvements;

4           “(D) to improve the capacity of the eligible  
5 entity to comply with Federal, State, and local  
6 food safety requirements;

7           “(E) to improve operations through train-  
8 ing opportunities;

9           “(F) to support construction of a new fa-  
10 cility;

11           “(G) to modernize or expand an existing  
12 facility, including expansion and modifications  
13 to existing buildings and construction of new  
14 buildings at existing facilities;

15           “(H) to construct wastewater management  
16 structures;

17           “(I) to modernize processing and manufac-  
18 turing equipment;

19           “(J) to develop, customize, or install equip-  
20 ment that improves energy efficiency, increases  
21 efficiency in water use, and improves air or  
22 water quality; and

23           “(K) for such other purposes as the Sec-  
24 retary determines to be appropriate.

1           “(5)           SIMPLIFIED           EQUIPMENT-ONLY  
2 PROJECTS.—

3           “(A) IN GENERAL.—A State may award  
4 small infrastructure grants—

5                   “(i) in an amount that is not less  
6 than \$10,000 and not more than  
7 \$100,000; and

8                   “(ii) that are to be used solely for  
9 purchasing equipment.

10           “(B) SIMPLIFIED APPLICATION.—The Sec-  
11 retary shall establish a simplified application  
12 for small infrastructure grants awarded under  
13 subparagraph (A).

14           “(6) DOMESTIC REQUIREMENT.—An eligible en-  
15 tity shall not use an infrastructure grant for any fa-  
16 cility or equipment that is not located in or will not  
17 be used in any State.

18           “(f) OTHER USES OF COOPERATIVE AGREEMENT  
19 FUNDS.—

20           “(1) SUPPLY CHAIN COORDINATION.—Of the  
21 amount that a State receives under a cooperative  
22 agreement under the program for a fiscal year, the  
23 State may use not more than the lesser of 20 per-  
24 cent and \$1,000,000 for activities to develop or en-  
25 hance supply chain coordination in a manner that

1 focuses on business support and market development  
2 to benefit local and regional food systems and con-  
3 tributes to the success and impact of the infrastruc-  
4 ture grants awarded by the State.

5 “(2) COORDINATION AND TECHNICAL ASSIST-  
6 ANCE.—A State may coordinate with a regional food  
7 systems hub established under section 210C(b) to  
8 complement any technical assistance.

9 “(3) ADMINISTRATIVE COSTS.—Of the amount  
10 that a State receives under a cooperative agreement  
11 under the program for a fiscal year, not more than  
12 8 percent may be used for administrative costs.

13 “(g) OUTREACH.—A State that enters into a cooper-  
14 ative agreement under the program shall conduct outreach  
15 to interested parties, including underserved producers,  
16 farm and food businesses in supply chains for locally and  
17 regionally produced targeted agricultural products, and re-  
18 gional communities—

19 “(1) prior to opening submission for applica-  
20 tions for infrastructure grants; and

21 “(2) through a transparent process of receiving  
22 and considering public comment to identify State  
23 funding priorities.

24 “(h) AUDIT.—Each State that enters into a coopera-  
25 tive agreement under the program shall—

1           “(1) conduct an audit of the expenditures under  
2 that cooperative agreement for each fiscal year; and

3           “(2) submit the audit to the Secretary not later  
4 than 30 days after the completion of the audit.

5           “(i) PERFORMANCE MEASURES AND EVALUATION.—

6           “(1) DEVELOPMENT.—The Secretary, in con-  
7 sultation with State departments of agriculture and  
8 stakeholders, shall develop performance measures to  
9 be used as the sole measures for evaluating the pro-  
10 gram.

11           “(2) EVALUATION.—The Secretary, in consulta-  
12 tion with State departments of agriculture, shall pe-  
13 riodically evaluate the performance of the program.

14           “(3) COOPERATIVE AGREEMENTS.—The Sec-  
15 retary may enter into cooperative agreements—

16           “(A) to develop the performance measures  
17 under paragraph (1); or

18           “(B) to conduct the evaluation under para-  
19 graph (2).

20           “(j) FUNDING.—

21           “(1) AUTHORIZATION OF APPROPRIATIONS.—In  
22 addition to any other funds made available to carry  
23 out this section, there is authorized to be appro-  
24 priated to the Secretary to carry out this section

1       \$200,000,000 for each of fiscal years 2027 through  
2       2031, to remain available until expended.

3           “(2) ADMINISTRATIVE COSTS.—Of the funds  
4       made available to carry out this section for a fiscal  
5       year, the Secretary shall use not more than 3 per-  
6       cent for administrative expenses.”.

7       **SEC. 4. REGIONAL FOOD SYSTEMS HUBS.**

8       Subtitle A of the Agricultural Marketing Act of 1946  
9       (7 U.S.C. 1621 et seq.) (as amended by section 3) is  
10      amended by adding at the end the following:

11      **“SEC. 210C. REGIONAL FOOD SYSTEMS HUBS.**

12           “(a) DEFINITIONS.—In this section:

13                   “(1) BENEFICIARY.—The term ‘beneficiary’  
14      means—

15                           “(A) a farm, including a small and me-  
16                           dium-sized farm;

17                           “(B) an agribusiness; and

18                           “(C) a food business.

19                   “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
20      tity’ means—

21                           “(A) a nonprofit organization;

22                           “(B) an institution of higher education;

23                           and

24                           “(C) a Tribal organization.

1           “(3) HUB.—The term ‘Hub’ means a food sys-  
2           tems hub established under subsection (b).

3           “(4) SECRETARY.—The term ‘Secretary’ means  
4           the Secretary of Agriculture, acting through the Ad-  
5           ministrators of the Agricultural Marketing Service.

6           “(b) ESTABLISHMENT.—The Secretary shall enter  
7           into cooperative agreements with eligible entities, on a  
8           competitive basis, to establish—

9           “(1) not fewer than 10 regional food systems  
10          hubs, which shall collectively geographically cover all  
11          States, territories, and possessions of the United  
12          States; and

13          “(2) 1 intertribal food systems hub to provide  
14          assistance exclusively to Tribal producers and busi-  
15          nesses nationally.

16          “(c) PURPOSE.—The purpose of a Hub is to provide  
17          localized assistance and market creation to beneficiaries  
18          to improve—

19          “(1) local and regional food supply chains and  
20          markets, including aggregation, distribution, and  
21          processing needs; and

22          “(2) local and regional food system economic  
23          development.

24          “(d) ACTIVITIES.—

25          “(1) IN GENERAL.—A Hub shall—

1           “(A) integrate the assistance and resources  
2 of the Department of Agriculture and other  
3 Federal agencies available to support bene-  
4 ficiaries;

5           “(B) provide direct business technical as-  
6 sistance to beneficiaries, including financial  
7 coaching, business planning, market develop-  
8 ment, succession planning, and accessing land  
9 and capital;

10          “(C) provide financial assistance to bene-  
11 ficiaries;

12          “(D) provide technical assistance to bene-  
13 ficiaries to create new, and expand or support  
14 existing, procurement opportunities from—

15               “(i) public agencies, including schools,  
16 child and senior centers, emergency food  
17 agencies participating in Department of  
18 Agriculture food programs, hospitals, cor-  
19 rectional facilities, Department of Veterans  
20 Affairs hospitals, United States Armed  
21 Forces bases, food is medicine programs,  
22 and rural healthcare initiatives; and

23               “(ii) grocery retailers, aggregators,  
24 distributors, and other private institutions,

1           such as institutions of higher education,  
2           prisons, and hospitals; and

3           “(E) carry out any other activities that fa-  
4           cilitate the development of a resilient domestic  
5           food system, as determined by the Secretary.

6           “(2) PRIORITIES.—A Hub shall prioritize pro-  
7           viding services to—

8           “(A) beneficiaries that are owned or oper-  
9           ated by, or partner with, underserved producers  
10          (as defined in section 210B(a)); and

11          “(B) recipients of assistance under other  
12          Department of Agriculture programs, includ-  
13          ing—

14               “(i) infrastructure grants (as defined  
15               in section 210B(a)) under the resilient  
16               food systems infrastructure program estab-  
17               lished under section 210B; and

18               “(ii) grants awarded directly to pro-  
19               ducers for the purpose of expanding mar-  
20               kets.

21          “(3) SUBAWARDS.—

22               “(A) IN GENERAL.—An eligible entity en-  
23               tering into a cooperative agreement under sub-  
24               section (b) may provide subawards, including to  
25               contractors, to carry out the activities of the

1 Hub established pursuant to the cooperative  
2 agreement.

3 “(B) ADMINISTRATIVE COSTS.—An entity  
4 receiving a subaward under subparagraph (A)  
5 may use not more than 20 percent for adminis-  
6 trative costs.

7 “(e) LIMITATION ON ADMINISTRATIVE COSTS.—Of  
8 the amount that an eligible entity receives under a cooper-  
9 ative agreement under subsection (b) for a fiscal year, not  
10 more than 20 percent may be used for administrative  
11 costs.

12 “(f) CONSULTATION.—In providing assistance, a  
13 Hub shall consult with—

14 “(1) the Small Business Administration;

15 “(2) the Department of Commerce;

16 “(3) the Economic Development Administra-  
17 tion;

18 “(4) the Farm Credit Administration; and

19 “(5) relevant stakeholders in each State, terri-  
20 tory, or other area in which the Hub provides assist-  
21 ance, including—

22 “(A) State departments of agriculture;

23 “(B) economic development commissions;

24 “(C) small business development centers;

25 “(D) private investment entities;

1                   “(E) philanthropic entities; and

2                   “(F) other relevant financial entities, such  
3                   as independent bankers and community devel-  
4                   opment financial institutions.

5           “(g) REPORTS.—Each Hub shall submit to the Sec-  
6           retary an annual report describing the activities of the  
7           Hub, including—

8                   “(1) as a direct result of the activities of the  
9           Hub—

10                   “(A) the amount of increased sales by  
11           beneficiaries;

12                   “(B) the number of new markets accessed,  
13           including the number of new purchasing agree-  
14           ments with schools, food service companies,  
15           independent grocery wholesalers, hospital sys-  
16           tems, and other entities;

17                   “(C) the number of new on-farm activities  
18           initiated, such as value-added production,  
19           agritourism, new crops, or new practices of  
20           beneficiaries, as applicable;

21                   “(D) the number of new customers of  
22           beneficiaries; and

23                   “(E) the number of new jobs offered by  
24           beneficiaries;

1           “(2) the barriers to market participation faced  
2           by beneficiaries and potential remedies; and

3           “(3) such other matters as the Secretary deter-  
4           mines to be appropriate.

5           “(h) AUTHORIZATION OF APPROPRIATIONS.—In ad-  
6           dition to any other funds made available to carry out this  
7           section, there is authorized to be appropriated to the Sec-  
8           retary to carry out this section \$75,000,000 for each of  
9           fiscal years 2027 through 2031, to remain available until  
10          expended.”.