House Bill 2800

Sponsored by Representatives CLEM, KOTEK; Representatives DEMBROW, FREDERICK, GARRETT, HOLVEY, KOMP, MATTHEWS, SCHAUFLER, J SMITH, Senator EDWARDS (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Directs Department of Education to provide reimbursements to school districts that serve Oregon food products as part of United States Department of Agriculture's National School Lunch Program or School Breakfast Program. Directs department to award grants for development of food-based, agriculture-based and garden-based educational activities.

Allocates moneys from Administrative Services Economic Development Fund to Oregon Business Development Department for purposes of reimbursements and grants.

Declares emergency, effective July 1, 2011.

1 A BILL FOR AN ACT

- Relating to Oregon Farm-to-School and School Garden Program; creating new provisions; amending ORS 336.426; limiting expenditures; and declaring an emergency.
- 4 Be It Enacted by the People of the State of Oregon:
 - **SECTION 1.** ORS 336.426 is amended to read:
 - 336.426. (1) The Department of Education shall establish the Oregon Farm-to-School and School Garden Program. Through the program, the department shall:
 - (a) Provide reimbursements to school districts that serve Oregon food products as part of the United States Department of Agriculture's National School Lunch Program or School Breakfast Program;
 - [(a)] (b) Assist school districts that participate in the United States Department of Agriculture's National School Lunch Program or School Breakfast Program in [utilizing] using Oregon food products and produce from school gardens;
 - [(b)] (c) Promote [food-] food-based, agriculture-based and garden-based educational activities in schools and school districts [that participate in the United States Department of Agriculture's National School Lunch Program or School Breakfast Program];
 - [(c)] (d) Provide information to school districts on how farm-to-school and school garden projects may help implement wellness policies mandated by the United States Department of Agriculture;
 - [(d)] (e) Assist school districts in incorporating farm-to-school and school garden projects into wellness policies mandated by the United States Department of Agriculture;
 - [(e)] (f) Work with the State Department of Agriculture, agricultural organizations, state institutions of higher education and other regional organizations and community-based organizations to develop farm-to-school related programs; and
 - [(f)] (g) Perform other activities necessary to facilitate the success of the Oregon Farm-to-School and School Garden Program.
 - (2)(a) A school district may be reimbursed for purchasing Oregon food products by applying to the Department of Education for reimbursement and showing that food for which the district seeks reimbursement:

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(A) Was produced, packaged, packed or processed in Oregon; and

- (B) Was used in meals that are part of the United States Department of Agriculture's National School Lunch Program or School Breakfast Program.
- (b) The Department of Education shall provide reimbursement for purchases of Oregon food products that satisfy the requirements of paragraph (a) of this subsection. Reimbursements shall be in an amount that equals the lesser of:
- (A) The amount paid per meal by the school district to purchase the Oregon food product; or
 - (B) Fifteen cents for every school lunch and seven cents for every school breakfast.
- (c) A school district that receives moneys for reimbursement as provided by paragraph (b) of this subsection:
- (A) Must use the moneys to purchase food produced, packaged, packed or processed in Oregon; and
 - (B) May not use the moneys to supplant purchases of food products with federal moneys.
- (d) The Department of Education shall consult with the State Department of Agriculture to develop rules and standards related to the implementation of the reimbursements described in this subsection.
- (3)(a) A school or school district may apply to the Department of Education for a grant to be used for food-based, agriculture-based and garden-based educational activities in schools and school districts.
- (b) The Department of Education shall consult with the State Department of Agriculture to determine the recipients and amounts of grants awarded under this subsection.
- (c) An applicant for a grant may not receive more than \$20,000 in grants per biennium under this subsection.
- (d) The Department of Education may not award more than 150 grants per biennium under this subsection.
- [(2)] (4) The State Board of Education shall adopt rules that establish the criteria to determine the eligibility for a grant awarded under subsection (3) of this section and may adopt any other rules necessary for the administration of this section.
- [(3)(a)] (5)(a) For the purpose of paying the costs of the Department of Education of administering the Oregon Farm-to-School and School Garden Program, the department may accept contributions of moneys and assistance from any source, public or private, and agree to conditions placed on the moneys not inconsistent with the duties of the department under this section.
- (b) Any moneys received by the department under this subsection shall be placed in the Department of Education Account. Moneys specifically received for reimbursements described in subsection (2) of this section and for grants described in subsection (3) of this section shall be credited for those purposes.
- (6) The Department of Education may expend for the administrative costs incurred by the department under this section no more than two percent of all moneys received by the department for the Oregon Farm-to-School and School Garden Program.
- SECTION 2. The amendments to ORS 336.426 by section 1 of this 2011 Act first apply to food purchased on or after the effective date of this 2011 Act.
- SECTION 3. (1) There is allocated to the Oregon Business Development Department from the Administrative Services Economic Development Fund the amount identified in subsection (2) of this section.

- (2) Notwithstanding any other law limiting expenditures, the amount of \$22,580,000 is established for the biennium beginning July 1, 2011, as the maximum limit for payment of expenses by the Oregon Business Development Department and the Department of Education from the Administrative Services Economic Development Fund for the following purposes:
 - (a) \$19,580,000 for the reimbursements described in ORS 336.426 (2).
- (b) \$3,000,000 for grants to be used for food-based, agriculture-based and garden-based educational activities, as described in ORS 336.426 (3).
- (3) The allocation of moneys from the Administrative Services Economic Development Fund under this section is subject to the requirements in section 4, Article XV of the Oregon Constitution, for deposit of specified amounts of the net proceeds from the Oregon State Lottery into the Education Stability Fund and into the Parks and Natural Resources Fund and shall be made only after satisfaction or payment of:
- (a) Amounts allocated to Westside lottery bonds issued under ORS 391.140 or to the reserves or any refunding related to the Westside lottery bonds in accordance with the priority for allocation and disbursement established by ORS 391.130;
- (b) All liens, pledges or other obligations relating to lottery bonds or refunding lottery bonds that are due or payable during the biennium beginning July 1, 2011; and
- (c) Amounts required by any other pledges of, or liens on, net proceeds from the Oregon State Lottery.

<u>SECTION 4.</u> This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect July 1, 2011.