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# MEMORANDUM

Legislative Fiscal Office  
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**To:** *Education Subcommittee*

**From:** *Tim Walker, Legislative Fiscal Office*  
*(503) 986-1827*

**Date:** June 21, 2013

**Subject:** *HB 2649 A*  
*Work Session*

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House Bill 2649 directs the Oregon Department of Education (ODE) to distribute grant money to ensure at least 80 percent is used for food procurement and at least 10 percent is used for educational activities. Authorizes ODE to award grant to school district only if district can demonstrate it has or is developing program to both purchase Oregon food products and provide related educational activities. Removes requirement that at least two grants be awarded each biennium under program. Appropriates \$500,000 from General Fund to grant program for biennium beginning July 1, 2013. Act effective July 1, 2013.

The Work Session packet, including measure, staff measure summary, and amendment are available on the Oregon Legislative Information System (OLIS). The measure has no revenue impact and an indeterminate fiscal impact.

## Amendment

The –A6 amendment adds additional flexibility with respect to meeting the procurement percentages.

### **Motion #1: Move the –A6 amendment to HB 2649.**

The –A7 amendment changes the appropriation from \$5,000,000 to \$500,000.

### **Motion #2: Move the –A7 amendment to HB 2649.**

The measure is recommended to be moved to the full Committee on Joint Ways and Means.

### **Motion #3: Move HB 2649 to the full committee with a “do pass”, as amended, recommendation.**

**Chair to assign carriers:**

**Full:** \_\_\_\_\_

**House:** \_\_\_\_\_

**Senate:** \_\_\_\_\_

Joint Committee on Ways and Means

Carrier – House: Rep.  
Carrier – Senate: Sen.

Revenue:

Fiscal:

Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Tim Walker, Legislative Fiscal Office

Meeting Date: [Full Committee Meeting Date]

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**WHAT THE MEASURE DOES:** Directs Department of Education (ODE) to distribute grant money to ensure at least 80 percent is used for food procurement and at least 10 percent is used for educational activities. Authorizes ODE to award grant to school district only if district can demonstrate it has or is developing program to both purchase Oregon food products and provide related educational activities. Removes requirement that at least two grants be awarded each biennium under program. Appropriates \$500,000 from General Fund to grant program for biennium beginning July 1, 2013. Act effective July 1, 2013.

**ISSUES DISCUSSED:**

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**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** “Farm to School” programs enable schools to offer fresh, locally sourced products in their cafeterias, and to design corresponding hands-on curricula that may include farm visits, gardening, cooking, composting, and recycling. These programs aim to promote mutually beneficial educational activities and economic development by focusing on children’s long-term health habits and academic achievement while supporting local farmers and food processors, both big and small. In 2007, the Legislative Assembly provided funding to support one farm-to-school coordinator position at the Department of Agriculture and one position at ODE. In 2011, House Bill 2800 was enacted that allowed school districts to apply for a grant from ODE for the reimbursement for costs incurred to purchase Oregon food products and to fund certain educational activities. House Bill 2649 would revise some of the grant distribution requirements and appropriate \$5 million from the General Fund to the grant program.

**FISCAL IMPACT OF PROPOSED LEGISLATION**

**Measure: HB 2649 - B**

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office

*Only Impacts on Original or Engrossed  
Versions are Considered Official*

Prepared by: Tim Walker  
Reviewed by: Doug Wilson  
Date: 06/20/2013

**Measure Description:**

Removes requirement that grant to purchase Oregon food products and to fund certain educational activities be allocated in specified percentage.

**Government Unit(s) Affected:**

Department of Education

**Summary of Expenditure Impact:**

<b>Summary of Expenditure Impact</b>		
	<b>2013-15 Biennium</b>	<b>2015-17 Biennium</b>
General Fund	\$500,000	
Lottery Funds		
Other Funds		
Federal Funds		
<b>Total Funds</b>	<b>\$500,000</b>	<b>\$0</b>

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:** This bill directs the Oregon Department of Education (ODE) to distribute grant money and changes that 80 percent of the moneys distributed are used for reimbursements and that 10 percent of the money distributed are used for education activities. It further clarifies that the school districts shall use the moneys, instead of being reimbursed, for costs incurred by the school district to purchase Oregon food products. Authorizes ODE to award grant to school district only if district can demonstrate it has or is developing program to both purchase Oregon food products and provide related educational activities. The bill also removes requirement that at least two grants be awarded each biennium under program. In addition the bill appropriates \$500,000 General Fund to grant program for biennium beginning July 1, 2013.

HB 2649-A6  
(LC 2020)  
4/8/13 (HRL/ps)

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2649**

1 On page 1 of the printed A-engrossed bill, line 7, delete “to” and insert  
2 “for one or more of the following purposes”.

3 In line 8, after “(a)” insert “To”.

4 In line 10, after “(b)” insert “To”.

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HB 2649-A7  
(LC 2020)  
6/21/13 (HRL/ps)

**PROPOSED AMENDMENTS TO  
A-ENGROSSED HOUSE BILL 2649**

1 On page 2 of the printed A-engrossed bill, line 45, delete “\$5,000,000” and  
2 insert “\$500,000”.

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