

**Enrolled**  
**House Bill 2649**

Sponsored by Representatives KOTEK, CLEM, MCLANE; Representatives DAVIS, PARRISH, REARDON, UNGER (Pre-session filed.)

CHAPTER .....

AN ACT

Relating to grants awarded to schools for food programs; amending ORS 336.431; appropriating money; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**SECTION 1.** ORS 336.431 is amended to read:

336.431. (1) A school district may apply to the Department of Education for a grant to be used by the school district *[to]* **for one or more of the following purposes:**

(a) **To** reimburse the school district for costs incurred by the school district to purchase Oregon food products described in subsection (3) of this section; *[and]* **or**

(b) **To** fund food-based, agriculture-based and garden-based educational activities in school districts.

(2) *[For a grant received under this section]* **The Department of Education shall distribute grant moneys under this section in a manner that ensures that:**

(a) *[87.5]* **At least 80** percent of the moneys *[of the grant must be]* **distributed are** used for reimbursements as described in subsection (1)(a) of this section; and

(b) *[12.5]* **At least 10** percent of the moneys *[of the grant must be]* **distributed are** used for the educational activities described in subsection (1)(b) of this section.

(3)(a) *[For the portion of a grant that is allocated for reimbursements, a]* **If a school district receives any grant moneys under this section for reimbursements, the** school district shall *[be reimbursed]* **use the moneys** for the costs incurred by the school district to purchase Oregon food products that were:

(A) Purchased on or after the date the school district received the moneys for the grant;

(B) Produced or processed in Oregon; and

(C) Used in meals that are part of the United States Department of Agriculture's National School Lunch Program.

(b) For 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]* **products; or**

(B) Fifteen cents for every school lunch **that is served as part of the United States Department of Agriculture's National School Lunch Program and that uses Oregon food products.**

(c) A school district that receives moneys for reimbursement as provided by paragraph (b) of this subsection:

(A) Must use the moneys to purchase foods produced or processed in Oregon; and

(B) May not use the moneys to supplant purchases of food products with federal moneys, but may use the moneys to pay for the difference in cost between food products that are of higher quality and food products that are allowed to be purchased with federal moneys.

(4) *[For the portion of a grant that is allocated for educational activities, a]* **If a school district receives any moneys under this section for educational activities, the school district shall use the moneys for costs directly associated with the educational activities, including staff time, travel costs and equipment purchased for the activities.**

(5) The Department of Education shall consult with the State Department of Agriculture to determine the recipients and amounts of grants awarded under this section.

**(6) The Department of Education may award a grant to a school district under this section only if the school district can demonstrate that the school district:**

**(a) Has a program to purchase Oregon food products and a program to provide food-based, agriculture-based or garden-based educational activities; or**

**(b) Is developing the programs described in paragraph (a) of this subsection that the school district does not have at the time of application.**

**(7) When awarding grants under this section, preference shall be given to school districts that:**

(a) Propose farm-to-school projects or school garden projects that:

(A) Are well designed;

(B) Incorporate positive changes in food purchasing;

(C) Promote healthy food activities;

(D) Have clear educational objectives;

(E) Involve parents or the community; and

(F) Have high potential for job creation;

(b) Represent a variety of sizes and geographic locations; and

(c) Serve a high percentage of children who qualify for free or reduced price school meals under the United States Department of Agriculture's National School Lunch Program.

*[(6) The Department of Education must award at least two grants per biennium under this section.]*

*[(7)]* **(8)** The Department of Education shall consult with the State Department of Agriculture to develop rules and standards related to the grants awarded under this section.

*[(8)]* **(9)** The Department of Education may expend for the administrative costs incurred under this section no more than two percent of all moneys received by the department for the grant program.

**SECTION 2. In addition to and not in lieu of any other appropriation, there is appropriated to the Department of Education, for the biennium beginning July 1, 2013, out of the General Fund, the amount of \$500,000 for the grant program described in ORS 336.431.**

**SECTION 3. This 2013 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2013 Act takes effect July 1, 2013.**

**Passed by House June 28, 2013**

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Ramona J. Line, Chief Clerk of House

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Tina Kotek, Speaker of House

**Passed by Senate July 1, 2013**

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Peter Courtney, President of Senate

**Received by Governor:**

.....M,....., 2013

**Approved:**

.....M,....., 2013

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John Kitzhaber, Governor

**Filed in Office of Secretary of State:**

.....M,....., 2013

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Kate Brown, Secretary of State