HB 2038 A -A10, -A11, -A12 STAFF MEASURE SUMMARY

Joint Committee On Ways and Means

Prepared By: Krista Dauenhauer, Fiscal Analyst **Meeting Dates:** 6/21, 6/30

WHAT THE MEASURE DOES:

Appropriates \$5,607,729 for biennium beginning July 1, 2017 to Department of Education from General Fund for Farm-to-School grant programs described in ORS 336.431. Allocates \$4,581,479 to noncompetitive grant program based on number school lunches served in previous year to assist school districts in purchasing food produced or processed in Oregon. Allocates \$916,295 to competitive grant program for providing food-based, agriculture-based, or garden based educational activities in school district. Allocates \$109,955 for administrative costs. Excludes milk and bakery products from noncompetitive grant funding to incentivize school districts to purchase food produced or processed in Oregon. Expands list of organizations that may be considered for competitive grants to provide agriculture-based or garden-based educational activities to include education service districts; federally recognized Indian tribes; schools overseen by Bureau of Indian Education; commodity commissions or councils; and soil and water conservation districts. Specifies changes apply to costs incurred by school district on or after effective date of Act. Declares emergency, effective July 1, 2017.

ISSUES DISCUSSED:

• Variations between the -A10 and -A11 amendments

EFFECT OF AMENDMENT:

-A10 Directs that a school district may not supplant purchases of Oregon grown or processed foods regularly made by a school district prior to participation in the Farm to School Grant Program and gives authority to the State Board of Education to adopt rules that allow ODE to make exceptions.

-A11 Directs that a school district may not supplant purchases of Oregon grown or processed foods regularly made by a school district prior to participation in the Farm to School Grant Program and provide clear authority to ODE to make exceptions.

-A12 Incorporates the same language as the -A11 amendment.Removes the General Fund appropriation language for the 2017-19 biennium.

BACKGROUND:

House Bill 2800 (2011) created the Farm-to-School program in Oregon, which awarded grants to school districts that were developing or already had programs both to purchase Oregon food products and provide food-based, agriculture-based or garden-based educational activities. House Bill 2649 (2013) amended statute to allow schools that had one or the other of the programs to apply. In 2015, House Bill 2721 established noncompetitive and competitive grants under the program. The bill required the Department of Education to base the amount of noncompetitive grant money awarded to schools on the number of lunches served by school districts during the previous school year under United States Department of Agriculture's (USDA) National School Lunch Program. The bill also added nonprofit organizations and commodity commissions or councils to the list of eligible recipients for competitive grant funds and mandated that the proceeds be used to pay for costs incurred to provide food-based, agriculture-based, or garden-based educational activities in a school district.

This Summary has not been adopted or officially endorsed by action of the committee.

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House Bill 2038A would appropriate funds to continue the Farm-to-School program through the biennium beginning July 1, 2017 and specifies the amount of funding to be used for noncompetitive grants, competitive grants, and administrative costs to administer the grant programs. The measure would exclude milk and bakery products from noncompetitive grants for school districts to purchase food produced or processed in Oregon, and it would expand the list of organizations that may apply for competitive grant funds to provide agriculture- or garden-based educational activities/