

Enrolled House Bill 2579

Sponsored by Representatives CLEM, POST, REARDON, SMITH DB; Representatives BONHAM, EVANS, FAHEY, GOMBERG, GORSEK, HAYDEN, HELM, HELT, KENY-GUYER, KOTEK, LIVELY, MARSH, MCKEOWN, MEEK, NERON, PRUSAK, RESCHKE, SOLLMAN, WILDE, WILLIAMS, WITT (Presession filed.)

CHAPTER

AN ACT

Relating to the Farm-to-School Grant Program; creating new provisions; amending ORS 336.431; 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) The Department of Education shall administer a Farm-to-School Grant Program as provided by this section.

(2) [A *school district*] **An entity identified in subsection (3)(a) or (5)(a) of this section** may apply to the department for a grant as follows:

(a) As a noncompetitive grant to assist the school district with paying for costs incurred by the school district to purchase food produced or processed in this state[; *or*] **or to pay for costs incurred to identify sources of those foods or to process those foods.**

(b) **As a competitive grant to encourage and sustain successful efforts to purchase or promote food produced or processed in this state.**

[*(b)*] (c) As a competitive grant to fund food-based, agriculture-based and garden-based educational activities in the school district.

(3)(a) Based on a noncompetitive process, the department shall provide grants to [*school districts*] **any of the following entities** to assist in paying for costs incurred by the [*school district*] **entity** to purchase food produced or processed in this state[.] **or to pay for costs incurred to identify sources of those foods or to process those foods:**

(A) A school district.

(B) **A provider of center-based programs for children in the Child and Adult Care Food Program.**

(C) **An entity that provides meals through the Summer Food Service Program.**

(b) The amount of a grant awarded as provided by this subsection shall be determined by the department based on the number of [*lunches*] **meals** served by the [*school district*] **entity identified in paragraph (a) of this subsection** during the previous school year **and summer** under the United States Department of Agriculture's National School Lunch Program **and Summer Food Service Program.**

[*(b)*] (c) [A *school district*] **An entity** that receives a grant under this subsection:

(A) Shall use the moneys for the costs incurred by the [*school district*] **entity** to purchase food products that were:

[(A)] (i) Purchased on or after the date the [school district] **entity** received notification from the Department of Education of the amount to be distributed to the [school district] **entity** as provided by this subsection;

[(B)] (ii) Produced or processed in this state, **including to pay for costs incurred to identify sources of those foods or to process those foods**; and

[(C)] (iii) Used for meals that are served as part of the United States Department of Agriculture's child nutrition programs.

(B) May use the moneys to provide education or promotion about foods produced or processed in this state.

[(c)(A)] (d)(A) [A school district] **An entity that receives a grant under this subsection** may not use any moneys received under this subsection to supplant purchases of food produced or processed in this state that the [school district] **entity** had regularly purchased prior to the date the [school district] **entity** first received a grant as provided by this subsection.

(B) Notwithstanding subparagraph (A) of this paragraph, [a school district] **an entity** may use moneys received under this subsection to [supplant purchases of] **purchase** food produced or processed in this state that the [school district] **entity** had regularly purchased prior to the date the [school district] **entity** first received a grant as provided by this subsection if the food meets criteria established by the State Board of Education by rule.

(4) Based on a competitive process, the Department of Education shall provide grants to entities identified in subsection (3)(a) of this section to encourage and sustain successful efforts to purchase or promote food produced or processed in this state.

[(4)(a)] (5)(a) Based on a competitive process, the department shall provide grants to assist in paying the costs incurred to [provide] **coordinate and implement** food-based, agriculture-based or garden-based educational activities in the school district. Grants may be provided to:

- (A) School districts;
- (B) Education service districts;
- (C) Federally recognized Indian tribes;
- (D) Schools overseen by the Bureau of Indian Education;
- (E) Nonprofit organizations;

(F) Providers of center-based programs for children in the Child and Adult Care Food Program;

[(F)] (G) Commodity commissions or councils organized under ORS 576.051 to 576.455 or ORS chapter 577 or 578; [or]

[(G)] (H) Soil and water conservation districts organized under ORS 568.210 to 568.808 and 568.900 to 568.933[.]; **or**

(I) Producers of food produced or processed in this state, including farmers, ranchers and seafood harvesters.

(b) An entity identified in paragraph (a) of this subsection that receives a grant under this subsection shall use the moneys for costs directly associated with the educational activities, including staff time, travel costs and equipment purchased for the activities.

(c) When awarding grants under this subsection, preference shall be given to entities that propose educational activities that:

- (A) Are well designed;
- (B) Promote healthy food activities;
- (C) Have clear educational objectives;
- (D) Involve parents or the community;
- (E) Are connected to a school district's farm-to-school procurement activities; and
- (F) Are culturally relevant to the students being served by the grant moneys.

(d) The department must ensure that the recipients of grants under this subsection:

(A) Represent a variety of school sizes and geographic locations; and

(B) 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.

[(5)] (6) The Department of Education shall consult with the State Department of Agriculture to:

- (a) Develop rules and standards related to the grants awarded under this section.
- (b) Determine the recipients and amounts of grants awarded under this section.

(c) **Evaluate the effectiveness of the Farm-to-School Grant Program, including program administration and the economic impact, educational outcomes and health outcomes of the program. For the purpose of conducting the evaluation, the Department of Education may collaborate or enter into a contract with a public or private entity.**

(7) **The Department of Education shall ensure that technical assistance, training and resources are provided to entities identified in subsections (3)(a) and (5)(a) of this section, and to any other entities that would contribute to the success of the program, by entering into an agreement with one or more statewide, regional or community partners to provide the technical assistance, training and resources.**

[(6)] (8)(a) 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.

(b) **For the purpose of encouraging the success of the program administered under this section, the Department of Education shall enter into an agreement with the State Department of Agriculture to have the State Department of Agriculture distribute funding for infrastructure and equipment to persons who intend to sell food produced or processed in this state to entities identified in subsection (3)(a) of this section.**

(c) **The Department of Education may enter into agreements with partners identified in subsection (7) of this section and with the State Department of Agriculture for the payment of administrative costs incurred under this section.**

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, 2019, out of the General Fund, the amount of \$10,350,000, which shall be expended for the purposes of ORS 336.431.

SECTION 3. Notwithstanding any other law limiting expenditures, the limitation on expenditures established by section 2 (4), chapter __, Oregon Laws 2019 (Enrolled House Bill 5002), for the biennium beginning July 1, 2019, as the maximum limit for payment of expenses from fees, moneys or other revenues, including Miscellaneous Receipts, and including federal funds for contract services, but excluding lottery funds and federal funds not described in section 2, chapter __, Oregon Laws 2019 (Enrolled House Bill 5002), collected or received by the State Department of Agriculture, for market access, is increased by \$500,000 for the purpose of carrying out the provisions of ORS 336.431.

SECTION 4. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect July 1, 2019.

Passed by House June 25, 2019

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Timothy G. Sekerak, Chief Clerk of House

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Tina Kotek, Speaker of House

Passed by Senate June 29, 2019

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Peter Courtney, President of Senate

Received by Governor:

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Approved:

.....M,....., 2019

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M,....., 2019

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Bev Clarno, Secretary of State