

HB 2579 -3 STAFF MEASURE SUMMARY
House Committee On Agriculture and Land Use

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/28, 4/2

WHAT THE MEASURE DOES:

Expands the types of entities that may receive a noncompetitive Farm-to-School grant to purchase food produced or processed in Oregon to include Child and Adult Care Food Program center-based providers and Summer Food Service Program meal providers. Establishes a new competitive grant to encourage and sustain successful efforts to purchase or promote food produced or processed in-state. Expands the types of entities that may receive a competitive Farm-to-School grant for food-based, agriculture-based, or garden based educational activities to include Child and Adult Care Food Program center-based providers. Directs the Oregon Department of Education (ODE) to evaluate the effectiveness of the Farm-to-School Grant Program, including economic impact, educational outcomes, health outcomes, and program administration. Directs ODE to enter into agreements with: state, regional, or community partners to provide technical assistance and resources; the Oregon Department of Agriculture (ODA) for ODA to train food producers and processors on the program process for product approval and to distribute funding for infrastructure, equipment, and incentives to sellers; and the Higher Education Coordinating Commission for the Oregon State University Extension Service to coordinate training, research, regional support, and resources for school districts and other entities. Appropriates \$8,500,000 from the General Fund to ODE. Declares emergency, effective on passage.

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-3 Expands the usage of noncompetitive grant funds to include payment for costs incurred to identify sources of foods or to process those foods. Expands the types of entities that may receive competitive grant funds to include in-state food producers including farmers, ranchers, and seafood harvesters. Clarifies ODE may enter into agreements with state, regional, or community partners for the payment of administrative costs. Requires ODE ensure that training, in addition to technical assistance and resources, are provided to potential grant applicants and recipients. Removes the requirement for ODE to enter into an agreement with ODA for ODA to train food producers and processors on the program, to distribute funding for infrastructure and equipment, and to distribute funding to incentivize selling food surpluses at reduced cost. Removes the requirement for ODE to enter into an agreement with the Higher Education Coordinating Commission to allow the Oregon State University Extension Service to coordinate training, research, regional support, online resources, and other resources for potential grant applicants and recipients. Changes total appropriation from \$8.5 million to \$5 million, and specifies that: \$3.799 million is expended for procurement grants, \$898,000 is expended for education grants, \$60,000 is expended for the Farm-to-School Program impact evaluation, \$143,000 is expended for technical assistance, training, and resources, and \$100,000 is expended for administrative costs.

REVENUE: No revenue impact

FISCAL: Has fiscal impact

BACKGROUND:

The Farm-to-School Grant Program (Program) awards grants to school districts to purchase Oregon food products and to provide food-based, agriculture-based, or garden-based educational activities. The Program was

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established in 2011, and is administered by the Oregon Department of Education (ODE).

In 2013, House Bill 2649 amended the law to allow schools to apply for grants that were either seeking reimbursement for Oregon food product purchases or seeking to fund educational activities, rather than requiring both. In 2015, House Bill 2721 specified that grants for food purchased or processed in-state would be noncompetitive grants, and that grants for food-based, agriculture-based, or garden-based educational activities would be competitive grants. The bill required ODE 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 National School Lunch Program. The bill also added nonprofit organizations and commodity commissions and councils to the list of eligible recipients for competitive grant funds. In 2017, House Bill 2038 appropriated specified amounts of funding to be used for noncompetitive grants, competitive grants, and administrative costs. The bill also expanded the list of organizations that may be considered for educational activity competitive grants to include federally-recognized Indian tribes, schools overseen by the Bureau of Indian Education, and soil and water conservation districts.

House Bill 2579 would expand the types of entities that may receive Farm-to-School grants and establish a new competitive grant, would direct ODE and specified partners to evaluate program outcomes and provide training, assistance, and resources, and would appropriate \$8,500,000 from the General Fund.