

A-Engrossed
House Bill 2721

Ordered by the House March 24
Including House Amendments dated March 24

Sponsored by Representative CLEM; Representatives GILLIAM, MCLANE (Pre-session filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

[Adjusts percentages by] **Modifies program through** which Department of Education distributes grant moneys for school food programs.
Appropriates moneys for *[school food programs]* **grant program**.
Declares emergency, effective July 1, 2015.

A BILL FOR AN ACT

1
2 Relating to school food programs; creating new provisions; amending ORS 336.431; and declaring an
3 emergency.

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

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

6 336.431. (1) **The Department of Education shall administer a Farm-to-School Grant Pro-**
7 **gram as provided by this section.**

8 *[(1)]* (2) A school district may apply to the department *[of Education for a grant to be used by*
9 *the school district for one or more of the following purposes]* **for a grant as follows:**

10 (a) *[To reimburse]* **As a noncompetitive grant to assist** the school district **with paying** for
11 costs incurred by the school district to purchase *[Oregon food products described in subsection (3)*
12 *of this section]* **food produced or processed in this state;** or

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

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

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

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

21 (3)(a) **Based on a noncompetitive process, the department shall provide grants to school**
22 **districts to assist in paying for the costs incurred by the school district to purchase food**
23 **produced or processed in this state. The amount of a grant awarded as provided by this**
24 **subsection shall be determined by the department based on the number of lunches served**
25 **by the school district during the previous school year under the United States Department**
26 **of Agriculture's National School Lunch Program.**

27 *[(3)(a)]* (b) *[If a school district receives any grant moneys under this section for reimbursements,*

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted.
New sections are in **boldfaced** type.

1 *the school district*] **A school district that receives a grant under this subsection** shall use the
2 moneys for the costs incurred by the school district to purchase [*Oregon*] food products that were:

3 (A) Purchased on or after the date the school district received [*the moneys for the grant*] **no-**
4 **tification from the Department of Education of the amount to be distributed to the school**
5 **district as provided by this subsection;**

6 (B) Produced or processed in Oregon; and

7 (C) Used [*in*] **for** meals that are **served as** part of the United States Department of Agriculture's
8 [*National School Lunch Program*] **child nutrition programs.**

9 [*(b) For Oregon food products that satisfy the requirements of paragraph (a) of this subsection,*
10 *reimbursements shall be in an amount that equals the lesser of:*]

11 [(A) *The amount paid per meal by the school district to purchase the Oregon food products; or*]

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

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

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

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

20 **(4)(a) Based on a competitive process, the Department of Education shall provide grants**
21 **to school districts or nonprofit organizations, or commodity commissions or councils organ-**
22 **ized under ORS 576.051 to 576.455 or ORS chapter 577 or 578, to assist in paying for the costs**
23 **incurred to provide food-based, agriculture-based or garden-based educational activities in**
24 **the school district.**

25 [(4) (b) [*If a school district receives any moneys under this section for educational activities, the*
26 *school district*] **An entity identified in paragraph (a) of this subsection that receives a grant**
27 **under this subsection** shall use the moneys for costs directly associated with the educational ac-
28 tivities, including staff time, travel costs and equipment purchased for the activities.

29 [(5) *The Department of Education shall consult with the State Department of Agriculture to deter-*
30 *mine the recipients and amounts of grants awarded under this section.*]

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

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

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

37 [(7) (c) When awarding grants under this [*section,*] **subsection,** preference shall be given to
38 [*school districts*] **entities that propose educational activities that:**

39 [(a) *Propose farm-to-school projects or school garden projects that:*]

40 (A) Are well designed;

41 [(B) *Incorporate positive changes in food purchasing;*]

42 [(C) (B) Promote healthy food activities;

43 [(D) (C) Have clear educational objectives;

44 [(E) (D) Involve parents or the community; [*and*]

45 [(F) *Have high potential for job creation;*]

1 (E) Are connected to a school district's farm-to-school procurement activities; and

2 (F) Are culturally relevant to the students being served by the grant moneys.

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

4 [(b)] (A) Represent a variety of school sizes and geographic locations; and

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

7 [(8)] (5) The Department of Education shall consult with the State Department of Agriculture
8 to:

9 (a) Develop rules and standards related to the grants awarded under this section.

10 (b) Determine the recipients and amounts of grants awarded under this section.

11 [(9)] (6) The Department of Education may expend for the administrative costs incurred under
12 this section no more than two percent of all moneys received by the department for the grant pro-
13 gram.

14 **SECTION 2. In addition to and not in lieu of any other appropriation, there is appropri-**
15 **ated to the Department of Education, for the biennium beginning July 1, 2015, out of the**
16 **General Fund, the amount of \$5,607,729, which shall be expended as follows:**

17 (1) \$4,581,479 for noncompetitive grants described in ORS 336.431 (3).

18 (2) \$916,295 for competitive grants described in ORS 336.431 (4).

19 (3) \$109,955 for costs incurred by the department in administering the grant program
20 described in ORS 336.431.

21 **SECTION 3. This 2015 Act being necessary for the immediate preservation of the public**
22 **peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect**
23 **July 1, 2015.**

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