FINAL BILL REPORT 2SSB 6483

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Synopsis as Enacted

Brief Description: Enacting the local farms-healthy kids act.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Hatfield, Honeyford, Rasmussen, Haugen, Swecker, Tom, Morton, Rockefeller, Fraser, Hargrove, Keiser, Kohl-Welles, Brandland, Kilmer, Shin, McDermott, Kauffman, Murray, Hobbs, Kastama, Fairley, Pridemore, Regala, McAuliffe, Jacobsen, Kline, Brown, Franklin, Hewitt, Spanel, Parlette, Oemig and Roach).

Senate Committee on Agriculture & Rural Economic Development Senate Committee on Ways & Means House Committee on Agriculture & Natural Resources House Committee on Appropriations

Background: The 2002 Federal farm bill created a pilot Fresh Fruit and Vegetable Program, implemented by the U.S. Department of Agriculture (USDA), to provide free fresh fruit and vegetable snacks to students. Participating schools use federal funds to purchase their choice of snacks.

"Farm-to-School" programs encouraging consumption of fresh, locally-grown food at public schools and other institutions have been enacted or proposed in several states.

Within statutory parameters, the state Department of General Administration (GA) sets policies for purchasing by state agencies and institutions of higher education. These policies generally require purchasers to use competitive bidding procedures for major purchases. School districts must use competitive contracting procedures for purchases over \$40,000.

Summary: The Local Farms-Healthy Kids Act (Act), intended to strengthen links between state agriculture and state food procurement to expand local markets, improve nutrition, and benefit the environment, is enacted. References to "Washington grown" food mean food grown and packed or processed in Washington. The Act creates four programs:

- a Farm-to-School Program administered by the state Department of Agriculture (WSDA);
- a Washington Grown Fresh Fruit and Vegetable Grant Program administered by the Office of the Superintendent of Public Instruction (OSPI);
- a Farmers Market Technology Improvement Pilot Program administered by the Department of Social and Health Services (DSHS); and
- a Farmers to Food Banks Pilot Program administered by the Department of Community, Trade and Economic Development (CTED).

<u>Farm-to-School Program.</u> A Farm-to-School Program is created in WSDA to facilitate increased procurement of Washington grown foods by schools. The program will, in order of priority:

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- identify and develop policies and procedures, including proposed uniform procurement procedures, to implement and evaluate the program;
- assist food producers, distributors, and brokers to market Washington grown food to schools by informing them of opportunities and requirements;
- assist schools in connecting with local producers by informing them of sources, availability and benefits of Washington grown foods;
- identify and recommend ways to increase predictability of sales and adequacy of supply;
- identify and make available curricula, programs, and publications educating students on the benefits of preparing and consuming locally-grown food;
- support efforts to advance other farm-to-school connections such as school gardens or farms, and farm visits; and
- seek additional funds to leverage state expenditures.

WSDA must, cooperating with OSPI, collect data on program activities and report biennially to the Legislature beginning in November 2009.

Washington Grown Fresh Fruit and Vegetable Grant Program. A Washington Grown Fresh Fruit and Vegetable Grant Program (WG FFVGP) is created in OSPI to facilitate consumption of Washington grown nutritious snacks to improve student health and expand the market for locally-grown fresh produce. "Fresh fruit and vegetables" includes perishable produce that is unprocessed, minimally processed, frozen, dried, or otherwise prepared, stored, and handled to maintain its fresh nature while providing convenience to the user. Producing "minimally processed" food involves cleaning, washing, cutting, or portioning.

The WG FFVGP will increase the number of school children with access to Washington grown fresh fruits and vegetables and be modeled after the USDA's Fresh Fruit and Vegetable Program. Schools receiving funds under the USDA program are not eligible for WG FFVGP grants.

Subject to specific appropriation, OSPI will solicit applications, conduct a competitive process, and make one or two-year grants to urban and rural schools enabling them to provide free Washington grown fresh fruits and vegetables throughout the school day. When evaluating applications and selecting grantees, OSPI must consider an applicant's plans for: ensuring use of Washington grown fruits and vegetables; incorporating nutrition, agricultural stewardship education, and environmental education into the snack program; and establishing partnerships to further WG FFVGP objectives.

OSPI must give funding priority to applicant schools with grades K-8 that participate in the National School Lunch Program and have 50 percent or more students eligible for free or reduced price meals under the National School Lunch Act. OSPI may award grants to other applicants if any funds remain after all eligible priority applicants have been awarded grants. OSPI may adopt rules to carry out the WG FFVGP and will develop and track outcome measures.

<u>Farmers Market Technology Improvement Pilot Program.</u> Subject to specific funding, a Farmers Market Technology Improvement Pilot Program is created in DSHS to assist farmers markets to develop the capability to accept wireless electronic payment cards. The program is intended to increase access to fresh fruits, vegetables, and quality meat and dairy for state

residents and to increase the number of food stamp recipients using food stamp benefits through electronic benefits transfer at farmers markets.

DSHS must work with farmers markets and appropriate associations to ensure that the program serves a balance of rural and urban farmers markets. DSHS must biennially submit electronic benefits transfer data to the Legislature beginning in November 2009. The program expires July 1, 2010.

<u>Farmers to Food Banks Pilot Program.</u> Subject to specific funding, a Farmers to Food Banks Pilot Program is created in CTED. Funds will be used for food bank systems to contract with local farmers to provide fruit, vegetables, dairy, and meat products for distribution to low-income people at local food banks.

In implementing the program, CTED must conduct a request for proposals to select pilot communities. Any nonprofit entity qualifying for federal tax exemption that delivers social services may submit a proposal. Up to five pilot communities will be selected, including one in an ethnically diverse urban area negatively impacted by a mass transit infrastructure program and located in a city with over 500,000 residents (i.e., Seattle), at least one east of the Cascades, and at least one in a rural county with fewer than 100 persons per square mile.

CTED will collect data on program activities and report biennially to the Legislature beginning in November 2009. The program expires July 1, 2010.

<u>State Procurement Standards.</u> GA must, to the maximum extent practicable and consistent with international trade commitments, develop food procurement procedures and materials encouraging and facilitating purchase of Washington grown food products by state agencies and institutions, and develop policies requiring all food contracts to include a plan to maximize availability of Washington grown food purchased through contract.

Formal competitive bidding is not required for off-contract purchases of Washington grown food when this food is not available from Washington sources through an existing contract. However, the food must be of an equivalent or better quality than similar food available through the contract and able to be purchased from the agency's existing budget. This requirement applies to purchases and contracts for purchases by GA and other state agencies, including institutions of higher education, under delegated authority.

<u>School Districts.</u> Purchases of Washington grown food by school districts are exempted from certain competitive contracting requirements. A school board may develop and implement policies and procedures to facilitate and maximize purchases of Washington grown food, including permitting a percentage price preference, defined as the percent by which a responsive bid from a responsible bidder selling Washington grown food exceeds the lowest responsive bid submitted by a responsible bidder selling non-Washington grown food.

School districts may operate school gardens or farms to grow fruit and vegetables for educational purposes and to be offered to students through meal and snack programs. Foods used in meal and snack programs must meet safety standards. If a school operates a school garden or farm, students representing organizations such as the Future Farmers of America and 4-H must have opportunity for involvement. When school gardens or farms are used to educate students about agriculture, students must have opportunity to learn about both organic and conventional methods.

<u>Department of Health (DOH) Rulemaking.</u> DOH must adopt rules authorizing retail operations owned and operated by farmers and located on farms to participate in the WIC Farmers Market Nutrition Program, to provide locally-grown, nutritious, unprepared fruits and vegetables to eligible participants. Rules must meet federal requirements for grants and cooperative agreements to state and local governments.

<u>Conflict With Federal Requirements.</u> If any part of the Act is found to conflict with federal funding requirements, the conflicting part is inoperative to the extent of the conflict and agencies directly affected, but not to the remainder of the Act in its application to agencies concerned. Rules adopted under the Act must meet federal requirements necessary for receiving federal funds.

Votes on Final Passage:

Senate 48 0 House 93 1 (House amended) Senate 44 0 (Senate concurred)

Effective: June 12, 2008