

HOUSE BILL REPORT

HB 1710

As Reported by House Committee On:
Technology & Economic Development

Title: An act relating to fostering economic growth in Washington by supporting the in-state production, processing, and distribution of food supply.

Brief Description: Fostering economic growth in Washington by supporting the in-state production, processing, and distribution of food supply.

Sponsors: Representatives Tarleton, Walkinshaw, McBride, Ortiz-Self, Sawyer, Peterson, Gregerson and Hudgins.

Brief History:

Committee Activity:

Technology & Economic Development: 2/11/15, 2/19/15 [DPS].

Brief Summary of Substitute Bill

- Requires the Washington State University Center for Sustaining Agriculture and Natural Resources to study the economic development of the local food system in the state.
- Appropriates funds for the Department of Agriculture's Farm-to-School Program and Small Farm Direct Marketing Assistance Program.

HOUSE COMMITTEE ON TECHNOLOGY & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 13 members: Representatives Morris, Chair; Tarleton, Vice Chair; Smith, Ranking Minority Member; DeBolt, Assistant Ranking Minority Member; Fey, Harmsworth, Hudgins, Magendanz, Nealey, Ryu, Santos, Wylie and Young.

Staff: Kirsten Lee (786-7133).

Background:

Farm-to School Program.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

In 2008 the Farm-to-School Program was created within the Department of Agriculture (DOA). The Farm-to-School Program facilitates increased procurement of Washington grown food by schools. The DOA, in consultation with the Department of Health, the Office of Superintendent of Public Instruction, the Department of General Administration, and Washington State University (WSU), is tasked with: (1) identifying policies and procedures to implement the program; (2) assisting food processors, distributors, and food brokers to market grown foods to schools; (3) assisting schools in connecting with local producers; (4) identifying and recommending mechanisms to increase predictability of sales for producers; (5) identifying and making available curricula to educate students on nutrition, environmental, and economic benefits of growing and consuming locally grown food; and (6) seeking additional funding to leverage state expenditures.

Direct Marketing Assistance Program.

The Direct Marketing Assistance Program was created to assist small farms in their direct marketing efforts. The assistance includes providing direct marketing opportunities for small farms, assisting with infrastructure to increase direct marketing opportunities for small farms, and promoting localized food production systems. The Farm-to School Program works closely with the Direct Marketing Assistance Program to improve farm to school connections.

Washington State University Center for Sustaining Agriculture and Natural Resources.

The WSU Center for Sustaining Agriculture and Natural Resources (Center) was established to provide statewide leadership in research, extension, and resident instruction programs to sustain agriculture and natural resources. The Center is engaged in research and development on issues including climate change, energy and water security, and improving technology and management to make agriculture more sustainable.

Summary of Substitute Bill:

The Center must study the economic development of the state's local food system. The study must identify a 10-year goal for expansion of the state's food capacity by examining:

- the state's capacity to grow a variety of food products;
- potential market demands;
- infrastructure needs;
- the state's institutional capacity to foster economic development of the food sector;
- changes to financing and environmental planning;
- legislative action needed to implement improvements;
- geographic differences between local farm production and points of local food consumption;
- models of potential resources for small and direct farmers;
- the relative economic impact of retaining and losing the local food supply business within the state; and
- the economic impact of urban community gardens

The Center must establish an advisory committee, consisting of members from farm organizations, food processors and distributors, restaurateurs, food service directors, and local food advocacy organizations, to help provide technical information through the study process.

The WSU must submit a final report with findings and recommendations to the Office of the Governor and appropriate legislative committees. The recommendations must include short and long-term plans for the Legislature to support and sustain the local food sector and strategies for effective education and awareness programs for schools and community groups related to the local food supply chain.

Substitute Bill Compared to Original Bill:

The substitute bill:

- requires WSU to evaluate the following additional topics in their study of economic development of the local food system:
 - the economic impact of urban community gardens that provide healthy foods;
 - geographic distances between local farm production and points of consumption;
 - new methods of marketing and business assistance to reduce regulatory barriers within the local food supply chain; and
 - the relative economic impact of retaining the local food supply chain and food producers exporting out of state;
- requires WSU to also include strategies for education and awareness of the local food supply chain to schools and communities in their final recommendations;
- extends the deadline for WSU to complete the required study report from November 30, 2015 to November 30, 2016;
- requires WSU to make a good-faith effort to pursue matching funds from other public or private sources; and
- changes the \$1 million appropriation to the DOA for the next fiscal year ending June 30, 2016, to \$500,000 per fiscal year in the 2015-2017 biennium.

Appropriation: The sum of \$75,000 from the State General Fund to WSU for the purpose of the study.

The sum of \$75,000 from the General Fund State to WSU for purposes of the study, contingent on at least \$75,000 in matching funds.

The sum of \$500,000 for fiscal year ending June 30, 2016 and \$500,000 for fiscal year ending in June 30, 2017 from the State General Fund to the DOA for purposes of the Farm-to-School Program and the Small Farm Direct Marketing Assistance Program.

The sum of \$1,000,000 from the State General Fund to the DOA for purposes of the Farm-to-School Program and the Small Farm Direct Marketing Assistance Program.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed. However, sections 2 and 6, which relate to the study, are null and void unless funded in the budget.

Staff Summary of Public Testimony:

(In support) There is a need for studies and services to rebuild the local food system. The DOA's Handbook for Small and Direct Marketing Farms provides a resource to small and direct marketing farmers to help them understand the rules and regulation in the food industry. Having access to this information is vital to the success of the small and direct marketing farmers. The funding for Small Farm and Farm-to-School programs has been continually cut and they receive only \$125,000 a year in general fund support. These programs are important and more support is needed.

(Neutral) There is a suggestion to allocate the \$1 million appropriation to the Farm-to School program over the 2015-2017 biennium.

(Opposed) None.

Persons Testifying: (In support) Representative Tarleton, prime sponsor; Ellen Gray, Washington Sustainable Food and Farming Network; and Janelle Stokesberry, Stokesberry Sustainable Farm.

(Neutral) Kirk Robinson, Department of Agriculture.

Persons Signed In To Testify But Not Testifying: None.