Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Agricultura & Natur

Agriculture & Natural Resources Committee

HB 2798

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

Sponsors: Representatives Pettigrew, Hinkle, Kenney, Springer, Blake, Priest, Hunt, Linville, Newhouse, Kretz, Dunshee, Green, Hudgins, Campbell, Ericks, Walsh, McCune, Quall, Goodman, Hurst, Seaquist, Hunter, Anderson, Hasegawa, Cody, Williams, Dickerson, Kagi, Roberts, Takko, Morrell, McIntire, Schual-Berke, Nelson, Rolfes, Loomis, Liias, Simpson, VanDeWege, McCoy, Warnick, Pedersen, Lantz, Appleton, Upthegrove, Sells, Conway, Sullivan, Santos, Moeller and Ormsby.

Brief Summary of Bill

- Makes changes to state procurement policy to encourage and facilitate the purchase of Washington grown food by state agencies and institutions of higher education.
- Allows school boards to develop and implement procedures to increase the purchasing of Washington grown food.
- Creates the Farm-to-School Program in the Washington Department of Agriculture.
- Creates the Farmers Market Technology Improvement Pilot Program at the Department of Social and Health Services.
- Creates the Farmers to Food Banks Pilot Program in the Department of Community, Trade and Economic Development.

Hearing Date: 1/24/08

Staff: Colleen Kerr (786-7168).

Background:

Washington Agriculture Industry

House Bill Analysis - 1 - HB 2798

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.

Washington is a major agricultural state with 34,000 farms operating on more than 15 million acres, producing some 300 commercial crops and livestock products valued at \$6.4 billion. Washington ranks first in the U.S. for production of 11 commodities, including apples, sweet cherries, pears, hops and red raspberries. Growers' production ranks second in the U.S. for an additional eight commodities, including potatoes, grapes, and onions. Washington is also the second-largest producer of wine in the U.S. The state's diverse agricultural economy includes aquaculture, farm forest products, cranberries, spearmint and peppermint oil, and mink.

Procurement

The Department of General Administration sets policy and procedure for state procurement as well as develops and administers contracts for goods and services. The with an estimated term value of these contracts is approximately \$900 million on behalf of state agencies, colleges and universities, select nonprofit organizations, and local governments.

The Office of the Superintendent of Public Schools (OSPI) procurement policy is consistent with state and federal procurement regulations. There is currently a United States Department of Agriculture (USDA) prohibition on granting geographic preferences when purchases are made from USDA Child Nutrition Program funds. According to USDA definition, all funding coming into Program 98 (School Food Service), regardless of source whether state, federal, or local, is considered USDA Child Nutrition Program funds. This prohibition may be removed with the 2007 farm bill.

United States Department of Agriculture Fresh Fruits and Vegetable Program

The 2002 farm bill created a pilot program to provide free fresh fruit and vegetable snacks to students in participating schools. Separate from the schools' existing meals programs, the snack program is intended to increase children's fruit and vegetable consumption for their better health. Implemented by the U.S. Department of Agriculture's (USDA) Food and Nutrition Service, the \$6 million pilot program provided grants to 25 schools in each of six states and one Native American territory. The schools used the funds to purchase the their choice of snacks. In 2004, Congress made the program permanent and expanded it to eight states and three Native American territories.

Summary of Bill:

For the purposes of the Local Farms-Healthy Kids Act, "Washington grown" means food that is grown and packed or processed in Washington.

Procurement

Statutory provisions regarding procurement by state agencies and institutions of higher education are amended so that the Director of General Administration will establish state policy: for the development of food procurement procedures and materials that encourage the purchase of Washington grown food by state agencies and institutions to the maximum extent practicable; andfor the development of policies requiring all food contracts to include a plan to maximize to the extent practicable the availability of Washington grown food purchased through the contact. Further, competitive bidding is not required for off-contract purchases by state agencies and institutions of higher education of Washington grown food when such food is not available from Washington sources through existing contracts.

For schools, school boards may develop and implement policies and procedures to develop to the greatest extent possible the purchasing of Washington grown food. This may include, but is not limited to, local preference policies and procedures.

Farm- to-School Program

The Farm-to-School Program (Program) is created in the Washington State Department of Agriculture (WSDA) to facilitate increased procurement of Washington grown food by the common schools. The WSDA shall work in consultation with the Department of Health (DoH), the Office of the Superintendent of Public Instruction (OSPI), the Department of General Administration (GA), and Washington State University (WSU) to:

- coordinate with school procurement officials and other organizations to identify policies and procedures, including recommendations, to implement the program that shall be available to school districts for them to use at their discretion;
- assist food producers, distributors, and food brokers to market Washington grown food to schools;
- identify and recommend mechanisms for increasing the predictability of supply and demand for producers and buyers in the Program;
- identify and make available existing curricula, programs, publications that educate students on the nutritional, environmental, and economic benefits of preparing and consuming Washington grown food;
- support efforts to advance other farm-to-school connections, such as farmers markets on school grounds, school gardens, and farm visits; and
- seek additional funding sources for the Program.

Washington Grown Fresh Fruit and Vegetable Grants

The Washington Grown Fresh Fruit and Vegetable Grant Program is created in the OSPI to facilitate the consumption of nutritious Washington grown snacks in schools to improve student health and to expand the market for locally grown fresh produce. The Grant Program shall increase the number of school children with access to Washington grown fresh fruits and vegetables and shall be modeled after the USDA's fresh fruits and vegetable program. Schools receiving funding from the USDA program are not eligible for funding through the Washington Grown Fresh Fruit and Vegetable Grant Program.

The OSPI shall develop performance measures to track the number of students served by the program and the dollar value of purchases of Washington grown fresh fruits and vegetables resulting from the Grant Program, as well as the development of federal, state, and private partnerships through the Grant Program.

For the purposes of this section, "Fresh fruits and vegetables" includes perishable produce that is unprocessed, minimally processed, frozen, or otherwise prepared, stored, and handled to maintain its fresh nature.

Farmers Market Technology Improvement Pilot Program

The Farmers Market Technology Improvement Pilot Program is created in the DSHS to lend technological hardware to farmers markets to develop the capability to accept electronic payments cards, including electronic benefits transfers. The Technology Improvement Program is intended to increase access to fresh fruits, vegetables, meat, and dairy for all Washington residents

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

Farmers to Food Banks Pilot Program

The Farmers to Food Banks Pilot Program is created in the Community, Trade, and Economic Development for food banks in selected communities to contract with local farmers to provide fresh fruits, vegetables, dairy, and meat products for distribution to low-income people at local, designated food banks. Communities shall be selected based upon the following criteria:

- the percentage of the population suffering from hunger and food insecurity;
- the existence and success of the local emergency food system;
- the potential to engage and contract with local farmers; and
- the capacity to leverage private sector funding and in-kind contributions/

Performance Reporting

The Office of Financial Management shall work with the WSDA, the GA, and the OSPI to develop measures to track trends in the purchasing of Washington grown food by state agencies, institutions of higher education, and schools and shall report on these measures biennially to the Legislature.

Appropriation:

(\$250,000) to the Center for Sustaining Agriculture and Natural Resources at WSU

(\$500,000) to the DoH to provide access to the Women, Infants, and Children Farmers Market Nutrition Program

(\$230,000) to the DSHS for the Seniors Farmers Market Nutrition Program

(\$250,000) to the DSHS for the Farmers Market Technology Improvement Pilot Program

(\$300,000) to the WSDA for the Farms-to-School Program

(\$2,000,050) to the OSPI for at least 75 Washington Grown Fresh Fruit and Vegitable Grants

(\$975,000) to the CTED for the Farmers to Food Banks Pilot Program

Fiscal Note: Requested on 1/22/2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.