## SENATE BILL REPORT E2SHB 2709

As Reported By Senate Committee On: Agriculture & Rural Economic Development, February 28, 2008

**Title:** An act relating to locally grown foods.

**Brief Description:** Exempting purchases of Washington grown food from school district competitive bid procedures.

**Sponsors:** House Committee on App Subcom Ed (originally sponsored by Representatives Hurst, Pettigrew, Appleton, Sells, Green, Conway, Morrell, Anderson, Sullivan, Kenney, Schual-Berke, McIntire, Wood, Hudgins, Simpson, Goodman, VanDeWege, Ormsby and Rolfes).

**Brief History:** Passed House: 2/19/08, 95-0.

Committee Activity: Agriculture & Rural Economic Development: 2/28/08 [DPA].

## SENATE COMMITTEE ON AGRICULTURE & RURAL ECONOMIC DEVELOPMENT

**Majority Report:** Do pass as amended.

Signed by Senators Rasmussen, Chair; Hatfield, Vice Chair; Schoesler, Ranking Minority Member; Jacobsen, Morton and Shin.

**Staff:** Bob Lee (786-7404)

**Background:** The United States Department of Agriculture (USDA) administers the National School Lunch Program (NSLP) and the School Breakfast Program (SBP). These programs provide low-cost or free meals to students in grades K-12. Participating school districts are given cash subsidies for the meals they serve as long as eligible children receive reduced price or free meals and the meals meet federal nutritional requirements.

Currently, there are 277 public school districts in the state that participate in the NSLP and the SBP. School districts also participate in other feeding programs administered by the USDA, such as the Summer Food Service Program, the Special Milk Program, and the Seamless Summer Feeding Program.

Currently, there are state competitive bidding requirements that apply to school districts when purchasing over \$40,000 of supplies.

There are USDA rules that contain restrictions on in-state and local geographical preferences, and a \$100,000 threshold for small purchases. The USDA also has guidance documents to support Farm to School Programs that encourage schools to buy locally produced agricultural

Senate Bill Report - 1 - E2SHB 2709

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.

products in ways that comply with current federal rules. Additionally, the federal farm bill is in conference committee in Congress and contains proposals to alter restrictions to in-state and local regional preferences.

**Summary of Bill (Recommended Amendments):** At the discretion of the board, a school district may develop and implement policies and procedures, including price preferences, for the purpose of increasing procurement of Washington grown food. If a price preference is provided for purchasing Washington grown food products, it may not exceed 25 percent as compared to products not grown in Washington. These policies and procedures do not need to comply with standard public bid requirements for school districts.

Washington grown food includes products that are grown and packed, or grown and processed in Washington State.

The provisions of the Act do not apply if procurement of food by a school district is determined to cause denial of federal monies or is inconsistent with requirements of federal law.

Added are provisions that provide recognition for Washington grown heritage livestock.

**EFFECT OF CHANGES MADE BY AGRICULTURE & RURAL ECONOMIC DEVELOPMENT (Recommended Amendments):** The striking amendment provides a 25 percent limit to how much price preference can be given by a school district when buying Washington grown food. The null and void clause is removed. Added are provisions that provide recognition to Washington grown heritage livestock.

**Appropriation:** None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Second Substitute Bill: PRO: Providing more flexibility to local school boards to buy locally produced food will help the retention of farmland in urbanizing areas, will reduce fuel used to transport products long distances and provides a connection between the school and the local farmers. The program is totally voluntary. The amendment is needed to provide some upper limit if a school decides to provide a price preference to purchase locally produced food. They looked this summer, and a lot of states have a fixed percentage rate in their statutes. This is consistent with the farm-to-school provisions in the Local Farms, Healthy Kids bills. The bill provides the flexibility to work well given the federal rules to which school lunch program are subject.

**Persons Testifying:** PRO: Representative Hurst, prime sponsor; Mo McBroom, Washington Environmental Council; George Sneller, Office of Superintendent of Public Instruction.