

SECOND REGULAR SESSION

HOUSE BILL NO. 2088

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES HUMMEL (Sponsor), STREAM, MCKENNA, JONES (50), MAYFIELD, WRIGHT, HOSKINS, REIBOLDT, RIZZO, FRAME, SCHIEFFER, ROORDA, WEBBER, KELLEY (127), BLACK, HOUGHTON, CONWAY (10), DUNN, HARRIS, NORR, SCHUPP, MCCANN BEATTY AND MOLENDORP (Co-sponsors).

5968H.021

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 348.407, RSMo, and to enact in lieu thereof three new sections relating to the farm-to-school act.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 348.407, RSMo, is repealed and three new sections enacted in lieu thereof, to be known as sections 262.960, 262.962, and 348.407, to read as follows:

262.960. 1. This section shall be known and may be cited as the “Farm-to-School Act”.

2. There is hereby created within the department of agriculture the “Farm-to-School Program” to connect Missouri farmers and schools in order to provide schools with locally grown agricultural products for inclusion in school meals and snacks and to strengthen local farming economies. The department shall designate an employee to administer and monitor the farm-to-school program and to serve as liaison between Missouri farmers and schools.

3. The following agencies shall make staff available to the Missouri farm-to-school program for the purpose of providing professional consultation and staff support to assist the implementation of this section:

(1) The department of health and senior services;

(2) The department of elementary and secondary education; and

(3) The office of administration.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 **4. The duties of the department employee coordinating the farm-to-school program**
16 **shall include, but not be limited to:**

17 **(1) Establishing and maintaining a website database to allow farmers and schools**
18 **to connect whereby farmers can enter the locally grown agricultural products they produce**
19 **along with pricing information, the times such products are available, and where they are**
20 **willing to distribute such products;**

21 **(2) Providing leadership at the state level to encourage schools to procure and use**
22 **locally grown agricultural products;**

23 **(3) Conducting workshops and training sessions and providing technical assistance**
24 **to school food service directors, personnel, farmers, and produce distributors and**
25 **processors regarding the farm-to-school program; and**

26 **(4) Seeking grants, private donations, or other funding sources to support the farm-**
27 **to-school program.**

262.962. 1. As used in this section, section 262.960, and subsection 5 of section
2 **348.707, the following terms shall mean:**

3 **(1) "Locally grown agricultural products", food or fiber produced or processed by**
4 **a small agribusiness or small farm;**

5 **(2) "Schools", includes any school in this state that maintains a food service**
6 **program under the United States Department of Agriculture and administered by the**
7 **school;**

8 **(3) "Small agribusiness", an independent agribusiness located in Missouri with**
9 **gross annual sales of less than five million dollars;**

10 **(4) "Small farm", an independent family-owned farm in Missouri with at least one**
11 **family member working in the day-to-day operation of the farm.**

12 **2. There is hereby created a taskforce under the AgriMissouri program established**
13 **in section 261.230, which shall be known as the "Farm-to-School Taskforce". The**
14 **taskforce shall be made up of at least one representative from each of the following**
15 **agencies: the University of Missouri extension service, the department of agriculture, the**
16 **department of elementary and secondary education, and the office of administration. In**
17 **addition, the director of the department of agriculture shall appoint two persons actively**
18 **engaged in the practice of small agribusiness. In addition, the director of the department**
19 **of elementary and secondary education shall appoint two persons from schools within the**
20 **state who direct a food service program. One representative for the department of**
21 **agriculture shall serve as the chairperson for the taskforce and shall coordinate the**
22 **taskforce meetings. The taskforce shall hold at least two meetings, but may hold more as**
23 **it deems necessary to fulfill its requirements under this section. Staff of the department**

24 of agriculture may provide administrative assistance to the taskforce if such assistance is
25 required.

26 3. The mission of the taskforce is to provide recommendations for strategies that:

27 (1) Allow schools to more easily incorporate locally grown agricultural products
28 into their cafeteria offerings, salad bars, and vending machines; and

29 (2) Allow schools to work with food service providers to ensure greater use of
30 locally grown agricultural products by developing standardized language for food service
31 contracts.

32 4. In fulfilling its mission under this section, the taskforce shall review various food
33 service contracts of schools within the state to identify standardized language that could
34 be included in such contracts to allow schools to more easily procure and use locally grown
35 agricultural products.

36 5. The taskforce shall prepare a report containing its findings and
37 recommendations and shall deliver such report to the governor, the general assembly, and
38 to the director of each agency represented on the taskforce by no later than December 31,
39 2015.

40 6. In conducting its work, the taskforce may hold public meetings at which it may
41 invite testimony from experts, or it may solicit information from any party it deems may
42 have information relevant to its duties under this section.

43 7. This section shall expire on December 31, 2015.

348.407. 1. The authority shall develop and implement agricultural products utilization
2 grants as provided in this section.

3 2. The authority may reject any application for grants pursuant to this section.

4 3. The authority shall make grants, and may make loans or guaranteed loans from the
5 grant fund to persons for the creation, development and operation, for up to three years from the
6 time of application approval, of rural agricultural businesses whose projects add value to
7 agricultural products and aid the economy of a rural community.

8 4. The authority may make loan guarantees to qualified agribusinesses for agricultural
9 business development loans for businesses that aid in the economy of a rural community and
10 support production agriculture or add value to agricultural products by providing necessary
11 products and services for production or processing.

12 5. The authority may make grants, loans, or loan guarantees to Missouri businesses
13 to develop infrastructure including, but not limited to, storage centers, processing facilities,
14 and distribution facilities for local and national food distribution companies to store and
15 process locally grown agricultural products for use in schools within the state.

16 **6.** The authority may, upon the provision of a fee by the requesting person in an amount
17 to be determined by the authority, provide for a feasibility study of the person's rural agricultural
18 business concept.

19 **[6.] 7.** Upon a determination by the authority that such concept is feasible and upon the
20 provision of a fee by the requesting person, in an amount to be determined by the authority, the
21 authority may then provide for a marketing study. Such marketing study shall be designed to
22 determine whether such concept may be operated profitably.

23 **[7.] 8.** Upon a determination by the authority that the concept may be operated profitably,
24 the authority may provide for legal assistance to set up the business. Such legal assistance shall
25 include, but not be limited to, providing advice and assistance on the form of business entity, the
26 availability of tax credits and other assistance for which the business may qualify as well as
27 helping the person apply for such assistance.

28 **[8.] 9.** The authority may provide or facilitate loans or guaranteed loans for the business
29 including, but not limited to, loans from the United States Department of Agriculture Rural
30 Development Program, subject to availability. Such financial assistance may only be provided
31 to feasible projects, and for an amount that is the least amount necessary to cause the project to
32 occur, as determined by the authority. The authority may structure the financial assistance in a
33 way that facilitates the project, but also provides for a compensatory return on investment or loan
34 payment to the authority, based on the risk of the project.

35 **[9.] 10.** The authority may provide for consulting services in the building of the physical
36 facilities of the business.

37 **[10.] 11.** The authority may provide for consulting services in the operation of the
38 business.

39 **[11.] 12.** The authority may provide for such services through employees of the state or
40 by contracting with private entities.

41 **[12.] 13.** The authority may consider the following in making the decision:

- 42 (1) The applicant's commitment to the project through the applicant's risk;
43 (2) Community involvement and support;
44 (3) The phase the project is in on an annual basis;
45 (4) The leaders and consultants chosen to direct the project;
46 (5) The amount needed for the project to achieve the bankable stage; and
47 (6) The ~~[projects]~~ **project's** planning for long-term success through feasibility studies,
48 marketing plans and business plans.

49 **[13.] 14.** The department of agriculture, the department of natural resources, the
50 department of economic development and the University of Missouri may provide such

51 assistance as is necessary for the implementation and operation of this section. The authority
52 may consult with other state and federal agencies as is necessary.

53 [14.] 15. The authority may charge fees for the provision of any service pursuant to this
54 section.

55 [15.] 16. The authority may adopt rules to implement the provisions of this section.

56 [16.] 17. Any rule or portion of a rule, as that term is defined in section 536.010, that is
57 created under the authority delegated in sections 348.005 to 348.180 shall become effective only
58 if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
59 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect
60 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any
61 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions
62 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the
63 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove
64 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority
65 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

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