First Regular Session Seventy-second General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 19-0775.01 Jerry Barry x4341

HOUSE BILL 19-1132

HOUSE SPONSORSHIP

Buentello and Pelton,

SENATE SPONSORSHIP

Coram,

House Committees

Senate Committees

Rural Affairs & Agriculture Education Appropriations

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A BILL FOR AN ACT

CONCERNING COLORADO FOOD PRODUCTS IN SCHOOLS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

The bill establishes a grant program in the department of education (CDE) to encourage providers that are entitled to federal money for lunches for students (eligible providers) to purchase food products from Colorado growers, producers, and processors (Colorado food). Three separate incentives under the grant program reimburse eligible providers for the amount of Colorado food that the provider purchased in the previous school year or award the eligible provider an amount based on the percentage of Colorado food that the provider purchased in the

previous year.

The bill establishes a separate program in CDE to make a grant to a nonprofit organization to make grants to entities that aggregate Colorado food to enhance the sale of Colorado food to schools and to eligible providers to encourage the purchase of Colorado food. The nonprofit organization is required to conduct an annual evaluation and report to CDE.

I	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add article 99 to title
3	22 as follows:
4	ARTICLE 99
5	Local School Food Purchasing Programs
6	22-99-101. Definitions. As used in this article 99, unless the
7	CONTEXT OTHERWISE REQUIRES:
8	(1) "COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS"
9	MEANS ALL FRUITS, VEGETABLES, GRAINS, MEATS, AND DAIRY PRODUCTS,
10	EXCEPT LIQUID MILK, GROWN OR RAISED IN COLORADO AND MINIMALLY
11	PROCESSED PRODUCTS OR VALUE-ADDED PROCESSED PRODUCTS THAT
12	MEET THE STANDARDS FOR THE COLORADO PROUD DESIGNATION,
13	ESTABLISHED BY THE COLORADO DEPARTMENT OF AGRICULTURE, EVEN IF
14	THE PRODUCT DOES NOT HAVE THE COLORADO PROUD DESIGNATION.
15	(2) "DEPARTMENT" MEANS THE DEPARTMENT OF EDUCATION
16	CREATED PURSUANT TO SECTION 24-1-115.
17	(3) "MINIMALLY PROCESSED PRODUCTS" MEANS RAW OR FROZEN
18	FABRICATED PRODUCTS; PRODUCTS THAT RETAIN THEIR INHERENT
19	CHARACTER, SUCH AS SHREDDED CARROTS OR DICED ONIONS; AND DRIED
20	PRODUCTS, SUCH AS BEANS, BUT DOES NOT INCLUDE ANY PRODUCTS THAT
21	ARE HEATED, COOKED, OR CANNED.
22	(4) "PARTICIPATING PROVIDER" MEANS A SCHOOL DISTRICT.

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I	CHARTER SCHOOL, BOARD OF COOPERATIVE SERVICES THAT OPERATES A
2	PUBLIC SCHOOL, OR RESIDENTIAL CHILD CARE CENTER AS DEFINED IN
3	SECTION 26-6-102 (5) THAT PARTICIPATES IN THE FEDERAL "RICHARD B.
4	RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.,
5	AND THAT HAS BEEN SELECTED BY THE DEPARTMENT TO PARTICIPATE IN
6	THE SCHOOL FOOD PURCHASING PROGRAM PURSUANT TO SECTION
7	22-99-102 (2)(b).
8	(5) "SCHOOL FOOD PURCHASING PROGRAM" MEANS THE LOCAL
9	SCHOOL FOOD PURCHASING PROGRAM CREATED PURSUANT TO SECTION
10	22-99-102.
11	(6) "TECHNICAL ASSISTANCE AND EDUCATION PROGRAM" MEANS
12	THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND
13	EDUCATION GRANT PROGRAM CREATED PURSUANT TO SECTION 22-99-103.
14	(7) "VALUE-ADDED PROCESSED PRODUCTS" MEANS PRODUCTS
15	THAT ARE ALTERED FROM THEIR UNPROCESSED OR MINIMALLY PROCESSED
16	STATE THROUGH PRESERVATION TECHNIQUES, INCLUDING COOKING,
17	BAKING, OR CANNING.
18	22-99-102. Local school food purchasing program - creation
19	- rules - report. (1) THERE IS CREATED IN THE DEPARTMENT THE LOCAL
20	SCHOOL FOOD PURCHASING PROGRAM TO REIMBURSE PARTICIPATING
21	PROVIDERS FOR THE PURCHASE OF COLORADO GROWN, RAISED, OR
22	PROCESSED PRODUCTS.
23	(2) (a) On or before December 1, 2019, and on or before
24	DECEMBER 1 OF ANY YEAR THEREAFTER, A SCHOOL DISTRICT, CHARTER
25	SCHOOL, BOARD OF COOPERATIVE SERVICES THAT OPERATES A PUBLIC
26	SCHOOL, OR RESIDENTIAL CHILD CARE CENTER MAY APPLY TO THE
27	DEPARTMENT ON A FORM DEVELOPED BY THE DEPARTMENT TO

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1	PARTICIPATE IN THE SCHOOL FOOD PURCHASING PROGRAM TO RECEIVE
2	REIMBURSEMENT FOR THE PURCHASE OF COLORADO GROWN, RAISED, OR
3	PROCESSED PRODUCTS PURSUANT TO THIS SECTION.
4	(b) On or before March 1, 2020, and on or before each
5	MARCH 1 THEREAFTER, THE DEPARTMENT SHALL SELECT PARTICIPATING
6	PROVIDERS. THE DEPARTMENT SHALL SELECT PARTICIPATING PROVIDERS
7	THAT IN THE PREVIOUS YEAR FOR WHICH NUMBERS ARE AVAILABLE THE
8	TOTAL NUMBER OF LUNCHES PROVIDED BY ALL PARTICIPATING PROVIDERS
9	WAS SEVEN MILLION OR FEWER. THE DEPARTMENT SHALL GIVE
10	PREFERENCE TO APPLICANTS THAT:
11	(I) DEMONSTRATE A COMMITMENT TO LOCAL PURCHASING OR
12	FOOD AND AGRICULTURAL EDUCATION;
13	(II) HAVE A KITCHEN WITH THE ABILITY TO STORE, PREPARE, AND
14	SERVE LOCAL FOOD PRODUCTS;
15	(III) HAVE GREATER THAN TWENTY-FIVE PERCENT OF ITS
16	STUDENTS ELIGIBLE FOR FREE OR REDUCED-PRICE LUNCH PURSUANT TO
17	THE PROVISIONS OF THE FEDERAL "RICHARD B. RUSSELL NATIONAL
18	SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.; AND
19	(IV) SATISFY ANY OTHER ELIGIBILITY REQUIREMENTS
20	ESTABLISHED BY THE STATE BOARD OF EDUCATION BY RULE.
21	(c) On or before August 1 of the year following the
22	PARTICIPATING PROVIDER'S APPLICATION, THE PARTICIPATING PROVIDER
23	SHALL TRACK AND REPORT TO THE DEPARTMENT ON A FORM DEVELOPED
24	BY THE DEPARTMENT FOR THE SCHOOL YEAR IN WHICH IT APPLIED, AND
25	FOR THE PRIOR YEAR, THE TOTAL AMOUNT OF COLORADO GROWN, RAISED,
26	OR PROCESSED PRODUCTS IT PURCHASED FOR STUDENT MEALS, THE TOTAL
27	AMOUNT OF VALUE-ADDED PROCESSED PRODUCTS IT PURCHASED FOR

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1	SCHOOL MEALS, AND THE TOTAL NUMBER OF LUNCHES THAT IT PROVIDED
2	TO STUDENTS.
3	(3) (a) (I) IN OCTOBER 2020 AND EACH OCTOBER THEREAFTER,
4	THE DEPARTMENT SHALL REIMBURSE EACH PARTICIPATING PROVIDER
5	PARTICIPATING IN THE SCHOOL FOOD PURCHASING PROGRAM AS OF THE
6	PREVIOUS DECEMBER 1 FOR THE AMOUNT SPENT FOR MEALS FOR
7	STUDENTS ON COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS, UF
8	TO THE MAXIMUM INCENTIVE ESTABLISHED PURSUANT TO SUBSECTION
9	(3)(b) OF THIS SECTION; EXCEPT THAT A PARTICIPATING PROVIDER SHALL
10	NOT BE REIMBURSED FOR THE AMOUNT OF VALUE-ADDED PROCESSED
11	PRODUCTS THAT EXCEEDS TWENTY-FIVE PERCENT OF THE TOTAL OF THE
12	COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS IT PURCHASED.
13	(II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION $(3)(a)(1)$
14	OF THIS SECTION, THE MAXIMUM AMOUNT OF REIMBURSEMENTS THAT MAY
15	BE AWARDED IN ANY YEAR IS FIVE HUNDRED THOUSAND DOLLARS. IF THE
16	TOTAL OF ALL ELIGIBLE REIMBURSEMENTS AS CALCULATED UNDER
17	$\hbox{subsection}(3)(a)(I)\hbox{of this section exceeds five hundred thousand}$
18	DOLLARS, EACH PARTICIPATING PROVIDER'S REIMBURSEMENT AMOUNT
19	MUST BE REDUCED PROPORTIONATELY.
20	(b) EACH PARTICIPATING PROVIDER IS ENTITLED TO BE
21	REIMBURSED FOR AN AMOUNT UP TO THE NUMBER OF SCHOOL LUNCHES
22	PROVIDED BY THE PARTICIPATING PROVIDER AS REPORTED TO THE
23	DEPARTMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION, DIVIDED BY
24	THE TOTAL NUMBER OF LUNCHES REPORTED BY ALL PARTICIPATING
25	PROVIDERS, MULTIPLIED BY THE TOTAL APPROPRIATION FOR THE SCHOOL
26	FOOD PURCHASING PROGRAM FOR PARTICIPATING PROVIDERS.
27	(4) REIMBURSEMENT PAYMENTS PURSUANT TO THIS SECTION

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1	ACCRUE TO THE PARTICIPATING PROVIDER'S NONPROFIT SCHOOL FOOD
2	ACCOUNT.
3	(5) (a) THE STATE BOARD OF EDUCATION IS AUTHORIZED TO ADOPT
4	RULES TO IMPLEMENT THE SCHOOL FOOD PURCHASING PROGRAM.
5	(b) THE DEPARTMENT IS AUTHORIZED TO MONITOR THE SCHOOL
6	FOOD PURCHASING PROGRAM TO ENSURE PROGRAM INTEGRITY AND TO
7	ANNUALLY REALLOCATE MONEY AMONG PARTICIPATING PROVIDERS TO
8	MAXIMIZE THE AMOUNT OF THE MONEY GIVEN.
9	22-99-103. Local school food purchasing technical assistance
10	and education grant program - created - report. (1) THERE IS
11	CREATED IN THE DEPARTMENT THE LOCAL SCHOOL FOOD PURCHASING
12	TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM TO ISSUE A
13	GRANT TO A STATEWIDE NONPROFIT ORGANIZATION TO DEVELOP AND
14	MANAGE A GRANT PROGRAM TO ASSIST WITH THE PROMOTION OF
15	COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS TO PARTICIPATING
16	PROVIDERS.
17	(2) SUBJECT TO AVAILABLE APPROPRIATIONS, THE NONPROFIT
18	ORGANIZATION MAY AWARD GRANTS FOR THE FOLLOWING:
19	(a) TRAINING, TECHNICAL ASSISTANCE, AND PHYSICAL
20	INFRASTRUCTURE GRANTS TO PARTICIPATING PROVIDERS, GROWER
21	ASSOCIATIONS, OR OTHER ORGANIZATIONS THAT AGGREGATE PRODUCTS
22	FROM PRODUCERS FOR:
23	(I) PROFESSIONAL CONTRACTING SERVICES TO SUPPORT THE
24	DEVELOPMENT AND SUSTAINABILITY OF LOCAL AND REGIONAL FOOD
25	SYSTEMS;
26	(II) CHEF TRAINING ON FOOD HANDLING AND PROCUREMENT
2.7	PRACTICES AND SMALL KITCHEN FOLIPMENT PURCHASES:

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1	(III) GOOD AGRICULTURAL PRACTICES CERTIFICATION COSTS AND
2	GOOD HANDLING PRACTICES CERTIFICATION COSTS AND TRAINING ON
3	SELLING TO SCHOOLS; AND
4	(IV) CAPACITY BUILDING FOR LOCAL VALUE-ADDED PROCESSED
5	PRODUCTS; AND
6	(b) EDUCATION, OUTREACH, AND PROMOTION FOR:
7	(I) SCHOOLS TO ENGAGE FAMILIES AND COMMUNITIES AROUND THE
8	BENEFITS OF FARM-TO-SCHOOL AND WAYS TO SUPPORT FARM-TO-SCHOOL;
9	AND
10	(II) GROWER ASSOCIATIONS AND GROWERS TO COMMUNICATE TO
11	SCHOOLS AND SCHOOL COMMUNITIES ABOUT THE MULTIPLE BENEFITS OF
12	PURCHASING LOCAL PRODUCTS.
13	(3) THE NONPROFIT ORGANIZATION SHALL ANNUALLY REPORT TO
14	THE DEPARTMENT ON THE TECHNICAL ASSISTANCE AND EDUCATION
15	PROGRAM INCLUDING:
16	(a) THE NUMBER AND TYPES OF ENTITIES RECEIVING GRANTS;
17	(b) THE NUMBER, TYPES, AND PURPOSES OF THE GRANTS AWARDED
18	PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION; AND
19	(c) THE TYPES OF EDUCATION AND OUTREACH CONDUCTED BY
20	PARTICIPATING PROVIDERS AND OTHERS PURSUANT TO SUBSECTION (2)(b)
21	OF THIS SECTION.
22	22-99-104. Evaluation - report. (1) ON OR BEFORE DECEMBER
23	1,2021, AND ON OR BEFORE DECEMBER 1 OF EACH YEAR THEREAFTER, THE
24	DEPARTMENT SHALL SUBMIT A REPORT TO THE EDUCATION COMMITTEES
25	OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, THE RURAL AFFAIRS
26	AND AGRICULTURE COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND
2.7	THE AGRICULTURE AND NATURAL RESOURCES COMMITTEE OF THE SENATE

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1	OR ANY SUCCESSOR COMMITTEES, ON THE EFFECT OF THE SCHOOL FOOD
2	PURCHASING PROGRAM ON THE AMOUNT OF COLORADO GROWN, RAISED,
3	OR PROCESSED PRODUCTS PURCHASED BY PARTICIPATING PROVIDERS,
4	INCLUDING:
5	(a) NAMES AND DEMOGRAPHIC DATA OF PARTICIPATING
6	PROVIDERS;
7	(b) DOLLAR AMOUNT SPENT ON COLORADO PRODUCTS DURING THE
8	SCHOOL FOOD PURCHASING PROGRAM, INCLUDING LOCAL PURCHASING
9	DATA FROM THE YEAR PRIOR TO THE SCHOOL FOOD PURCHASING PROGRAM
10	INCLUDED IN THE APPLICATION;
11	(c) PRODUCT CATEGORIES PURCHASED;
12	(d) Number of Colorado producers or businesses
13	PARTICIPATING BY PARTICIPATING PROVIDER AND IN TOTAL;
14	(e) ECONOMIC IMPACT ON PARTICIPATING PROVIDERS, PRODUCERS,
15	AND ECONOMIES; AND
16	(f) QUALITATIVE PRODUCER AND PARTICIPATING PROVIDER
17	SURVEYS.
18	(2) Notwithstanding the provisions of Section 24-1-136
19	(11)(a)(I), THE REPORTING REQUIREMENT PURSUANT TO SUBSECTION (1)
20	OF THIS SECTION CONTINUES INDEFINITELY.
21	22-99-105. Repeal. This article 99 is repealed, effective
22	JANUARY 1, 2023.
23	SECTION 2. Act subject to petition - effective date. This act
24	takes effect at 12:01 a.m. on the day following the expiration of the
25	ninety-day period after final adjournment of the general assembly (August
26	2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
2.7	referendum petition is filed pursuant to section 1 (3) of article V of the

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- state constitution against this act or an item, section, or part of this act
- within such period, then the act, item, section, or part will not take effect
- 3 unless approved by the people at the general election to be held in
- 4 November 2020 and, in such case, will take effect on the date of the
- official declaration of the vote thereon by the governor.

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