

My name is Helen Rortvedt and I am the Farm to School & Food Access Programs Director at NOFA-VT. Together with Betsy, I co-lead the Vermont FEED project.

I want to share a little more about why the Local Foods Incentive grant program is so important and why it shows so much promise. Schools in Vermont spent approximately \$20 million dollars on food to provide approximately 17 million meals to Vermont kids in the 2021-22 school year. The math is relatively simple. School nutrition professionals have been telling us for years that they want to buy more local foods but, with little more than a dollar to spend per plate, they lack sufficient funds to do so on a meaningful scale. The Local Foods Incentive provides school nutrition programs with much needed financial resources and encourages them to put Vermont farmers and producers first when making purchasing decisions.

Already, in just the second year of the program, 31 of Vermont's 51 School Food Authorities (SFAs) have participated, either in the baseline year program, thereby expressing serious investment in the program, or through the subsequent year program. That's 60% of the SFAs in the state. We have identified a variety of local products that schools are buying, ranging from dairy, to meat and poultry, maple, baked goods, and more, positively affecting all kinds of Vermont farmers and producers. The SFAs that submitted their local purchasing records this year collectively spent over \$775,000 on Vermont local foods. That's more than double the nearly \$340,000 in grant funds these SFAs will receive as a result – a remarkable 2-to-1 early return on the State's investment!

Act 67 of 2021, which established the Local Foods Incentive grant program, states that it is the goal of the State that by the year 2023, at least 20 percent of the foods schools purchase be locally produced. And, while we are not there quite yet, we have made significant strides forward in relatively short order. The institutional supply chain takes time to respond. And it takes time for school nutrition programs to set up new purchasing relationships and tracking systems. We see the relatively high participation rate in the baseline year grants, and the notable number of SFAs that submitted subsequent year applications but fell short of the 15% threshold as a clear expression of the demand and need for this program. On the demand side, my colleagues and I have been providing support and technical assistance to SFAs to help them navigate the program and connect to more local farms and producers. On the supply side, we have been working with local producers, food hubs, and distributors to improve schools' access to and awareness of local foods. The Local Foods Incentive has already proven to be a powerful tool in catalyzing a shift towards purchasing more Vermont foods. I'm confident that, within a few years, we'll see *at least* 15% local purchasing become more the norm than an outlier for Vermont school nutrition programs.

And to focus on the even bigger picture for a moment: school meals programs are growing the next generation of consumers. Kids who grow up in Vermont schools with strong Farm to School programs are showing up at UVM asking for local foods to be served on the menu. As schools continue to increase their local food purchasing, we will see the further strengthening of our local supply chain which will facilitate greater market opportunities for our farmers and producers. The Local Foods Incentive clearly illustrates the power of a State incentive to catalyze a shift in institutional purchasing practices. We are

working together to push back against a system that privileges large-scale agriculture that far too often depletes soil health, exacerbates the climate crisis, and concentrates wealth in the hands of a few landowners. The Local Foods Incentive helps our schools to shift the focus back toward supporting our small and medium sized producers right here in Vermont. This program is a big step forward toward leveling the playing field in school food purchasing.

Today, you have heard from a variety of stakeholders about the myriad positive impacts of the various investments the Legislature has made in Farm to School and Early Childhood programs. The Grants program, through its innovative blend of financial support for schools, expert and focused technical assistance, and the support of a coach helps to build strong Farm to School programs with real staying power. The Local Foods Incentive grant program is already transforming the way that school nutrition programs think about their food purchasing, shifting more dollars towards Vermont farmers and producers. We anticipate this shift will only continue to grow in the coming years.

Thank you for the investments you have already made in Farm to School and Early Childhood Programs. Thank you, also, to the Agency of Agriculture, Food, and Markets and to the Agency of Education for their strong partnership in ensuring the success of the Farm to School & Early Childhood Grants program and the Local Foods Incentive. **As a reminder, we have come together today to ask for your support for the Farm to School & Early Childhood program with a level funded base appropriation of \$500,000 for Fiscal Year 2024. And, to support the Local Purchasing Incentive program at \$500,000 in base funding. Thank you!**

Notes

LFI questions to respond to:

- Not reaching the \$500k request this year
 - We're playing the long game, this was expected
 - We would gladly support a prorated award to schools that applied but didn't hit 15%, like Jim suggested
- Cross-border local purchasing relationships have been jeopardized b/c of local foods definition
 - New Hampshire has explored what an incentive model may look like to have a higher tier reimbursement for in-state products and a lower-tier incentive for regional products from neighboring states
- What makes it hard for schools to participate? Are there characteristics of an SFA that make them less likely to participate/benefit from LFI?
 - FSMCs (fixed price contracts)
 - Mixed-management SFAs
 - Schools & Districts that haven't historically participated in VAAFMM grants or Institute
 - Reminder that institutional purchasing is more like a container ship, not a sailboat, you can't just turn them around on a dime - it will take time for schools to make changes
- Explain the fluid milk exclusion, but leave the door open, esp for organic milk - reference the market demand study we are conducting
 - Right now, there is not a product that meets the VT definition that most schools can use (Hood milk is processed in MA so wouldn't count.) Including it in the grant would increase the total food budget reported for the grant, therefore making local foods percentages go down. But we would love to eventually include milk in the program when there becomes a local, readily available option.
 - Also, the program is designed to incentivize new local purchasing and expand the market opportunity to various producer types. Because of the required USDA nutrition guidelines, schools already buy a lot of milk, with many SFA's already spending close to 15% of their food budgets on milk alone, so most SFAs could achieve the 15% tier with little to no additional impact for Vermont producers.
- USDA Foods stats - impact (lack thereof) on VT and New England producers
- How can we ensure that these programs are most impactful for VT producers?
 - Technical assistance (producers aren't actively reaching out to us, SNPs don't have the ability to be chasing down producers)
 - Organic dairy producers we're currently doing
 - Incentivize producers to get on the list in some way?
- Make sure legislators know about other programs like:
 - LFS (one-time, maybe 2-time federal funding coming through food hubs, will help to build relationships with these key local foods suppliers)
 - Organic dairy institutional demand study (forthcoming)
 - Organic Vermont beans (partnership w/ Sodexo, UVM, UVMMMC, and VT Bean Crafters to support more bean growers to enter the market, with institutional commitments already there - we're providing post-harvest equipment/infrastructure to enable this)

[Proposed updates to school nutrition standards](#) (Added sugars, Milk, Sodium, Whole Grains)

- [Milk](#) - still just nonfat and lowfat, but proposed changes may eliminate flavored milk from younger grades (K-8)

Combination of the grants and the LFI will help us get there. Connect to market opportunities. Organic dairy and beans. We're working together really well to push against an antiquated system that privileges large-scale commodities and ensure that our small and medium sized producers are supported to engage on a more level playing field.