

1 TO THE HONORABLE SENATE:

2 The Committee on Agriculture and Forestry to which was referred Senate  
3 Bill No. 273 entitled “An act relating to creating incentives for schools and  
4 establishing a goal for correctional facilities to purchase locally produced  
5 foods” respectfully reports that it has considered the same and recommends  
6 that the bill be amended by striking out all after the enacting clause and  
7 inserting in lieu thereof the following:

8 Sec. 1. 16 V.S.A. § 1262a is amended to read:

9 § 1262a. AWARD OF GRANTS

10 \* \* \*

11 (d) The Agency shall, from funds appropriated for this subsection to the  
12 Agency, award grants to school districts in accordance with section 1264a of  
13 this title (Locally Produced Foods).

14 Sec. 2. 16 V.S.A. § 1264 is amended to read:

15 § 1264. FOOD PROGRAM

16 \* \* \*

17 ~~(d) It is a goal of the State that by the year 2022 school boards operating a~~  
18 ~~school lunch, breakfast, or summer meals program shall purchase at least 20~~  
19 ~~percent of all food for those programs from local producers.~~

20 ~~(e)(1) On or before December 31, 2020, and annually thereafter, a school~~  
21 ~~board operating a school lunch, breakfast, or summer meals program shall~~

1 ~~submit to the Agency of Education an estimate of the percentage of locally~~  
2 ~~produced foods that were purchased by the school board for those programs.~~

3 ~~(2) On or before January 31, 2021, and annually thereafter, the Agency~~  
4 ~~of Education shall submit to the Senate Committees on Agriculture and on~~  
5 ~~Education and the House Committees on Agriculture and Forestry and on~~  
6 ~~Education in an aggregated form the information received from school boards~~  
7 ~~regarding the percentage of locally produced foods that are purchased as part~~  
8 ~~of a school lunch, breakfast, or summer meals program. The provisions of 2~~  
9 ~~V.S.A. § 20(d) regarding expiration of required reports shall not apply to the~~  
10 ~~report required by this subdivision.~~

11 Sec. 3. 16 V.S.A. § 1264a is added to read:

12 § 1264a. LOCALLY PRODUCED FOODS

13 (a) It is a goal of the State that by the year 2022 at least 20 percent of all  
14 foods purchased by school districts and supervisory unions be locally produced  
15 foods. School boards have the discretion to define what foods are included  
16 within the definition of “locally produced foods” for the purposes of this  
17 subsection and subsection (b) of this section.

18 (b) On or before December 31, 2020 and annually thereafter, a school  
19 board operating a school lunch, breakfast, or summer meals program shall  
20 report to the Agency of Education an estimate of the percentage of the cost of

1 all foods purchased by the school board for those programs that were locally  
2 produced foods during the one-year period ending on August 31 of that year.

3 (c)(1) Beginning with the 2020–21 school year and thereafter, school  
4 districts shall be eligible for a local foods incentive grant (grant) from funds  
5 appropriated to the Agency of Education for this purpose.

6 (2) A school district may apply for the grant if it has:

7 (A) developed a locally produced foods’ purchasing plan, which  
8 describes the district’s goals for purchasing locally produced foods and its plan  
9 to achieve those goals;

10 (B) designated an individual as the food coordinator for locally  
11 produced foods who shall be responsible for implementing the locally  
12 produced foods’ purchasing plan;

13 (C) developed a process for verifying the purchase of locally  
14 produced foods; and

15 (D) complied with the reporting requirement under subsection (b) of  
16 this section.

17 (3) A school district that has satisfied the conditions under subdivision  
18 (2) of this subsection (c) may, on or before January 15, 2022 or January 15 of  
19 any year thereafter, apply to the Agency for the grant by submitting a  
20 certification, signed by the clerk of the school board for the school district, that

1 the school district satisfies the conditions under subdivision (2) of this  
2 subsection (c).

3 (4) If a school district is eligible for a grant under subdivision (3) of this  
4 subsection (c), then the Agency shall make the grant payment, subject to  
5 appropriation, on or before the following March 31 after submission of the  
6 school district's application, (which is due on or before January 15 of that  
7 year), which shall be equal to 15 cents per plate served through the district's  
8 school lunch program for the one-year period ending August 31 of the prior  
9 year. A school district may apply for this grant and receive this grant funding  
10 only once.

11 (5)(A) A school district that has received a grant under subdivision (4)  
12 of this subsection (c) may, on or before January 15, 2023 or January 15 of any  
13 year thereafter, apply for a further grant by submitting to the Agency of  
14 Education information that demonstrates that at least 15 percent of the cost of  
15 all foods purchased or grown, raised, or produced by the school district during  
16 the one year period ending on August 31 of the previous year, excluding foods  
17 purchased or grown, raised, or produced by the school district that were used to  
18 provide catering services for which the school district received compensation,  
19 was in aggregate:

1                   (i) fruits, vegetables, meat, poultry, dairy, maple syrup, or eggs  
2                   that were grown, raised or produced in Vermont or within 30 miles of the  
3                   Vermont border; and

4                   (ii) foods processed in Vermont with at least 75 percent Vermont-  
5                   grown, Vermont-raised, or Vermont-produced ingredients, with fluid milk  
6                   counted as a processed food.

7                   (B) If a school district grows, raises, or produces food, it shall assign  
8                   a fair market value to that food for the purpose of reporting its cost.

9                   (6) If a school district is eligible for a grant under subdivision (5) of this  
10                  subsection (c), the Agency shall, on or before the following March 31 after  
11                  submission of the school district’s application, (which is due on or before  
12                  January 15 of that year), make the grant payment, subject to appropriation,  
13                  which shall be determined as follows:

14                  (A) 15 cents per plate served through a school lunch program for  
15                  school districts purchasing at least 15 percent or more locally produced foods;

16                  (B) 20 cents per plate served through a school lunch program for  
17                  school districts purchasing at least 20 percent or more locally produced foods;

18                  or

19                  (C) 25 cents per plate served through a school lunch program for  
20                  school districts purchasing at least 25 percent or more locally produced foods.

1           (7) A school district may apply for and receive grant funding under  
2           subdivisions (5) and (6) under this subsection (c) for each year that it qualifies  
3           for this grant funding.

4           (8) The Agency of Education may perform sample audits for any year  
5           that grant funds are paid to school districts under subdivision (6) under this  
6           subsection (c) to verify that information provided to the Agency under  
7           subdivision (5) under this subsection (c) is accurate. If the Agency makes a  
8           grant payment under subdivision (6) to a school district that was based on  
9           inaccurate information reported by the school district, the Agency may seek  
10           reimbursement from the district for an overpayment or reimburse the district  
11           for an underpayment, or may adjust future grant amounts under this section to  
12           reflect the over- or underpayment.

13           (d)(1) On or before January 31, 2021 and annually thereafter, the Agency  
14           of Education shall submit to the Senate Committees on Agriculture and on  
15           Education and the House Committees on Agriculture and Forestry and on  
16           Education in an aggregated form:

17           (A) the information received from school districts regarding the  
18           percentage of locally produced foods, as school districts define them, that were  
19           reported under subsection (b) of this section; and

20           (B) the percentage of locally produced foods, using the grant funding  
21           definition, that were reported under subdivision (c)(5) of this section, and the

1 amount of grant funding paid to school districts under subdivision (c)(6) in the  
2 prior school year.

3 (2) The provisions of 2 V.S.A. § 20(d) regarding expiration of required  
4 reports shall not apply to the reports required by this subsection.

5 Sec. 4. ADMINISTRATIVE SUPPORT

6 (a) The Agency of Education shall collaborate with the Agency of  
7 Agriculture, Food and Markets to promote the local foods program under  
8 16 V.S.A. § 1264a to school districts, farmers, food processors, and  
9 distributors.

10 (b) The following position is created in the Agency of Education: one full-  
11 time, classified position specializing in the administration of school food  
12 programs to assist school districts with expanding access to locally produced  
13 foods. The position established in this subsection shall be transferred and  
14 converted from an existing vacant position in the Executive Branch of State  
15 government. There is appropriated to the Agency of Education from the  
16 General Fund for fiscal year 2021 the amount of \$125,000.00 for salary,  
17 benefits, and operating expenses.

18 Sec. 5. APPROPRIATIONS FOR FOOD PROGRAMS

19 (a) There is appropriated to the Agency of Education from the General  
20 Fund for fiscal year 2021 the amount of \$75,000.00 for the summer food  
21 service program under 16 V.S.A. § 1264(a)(2).

1        (b) There is appropriated to the Agency of Education from the General  
2        Fund for fiscal year 2021 the amount of \$[ ] for local foods incentive grants  
3        under 16 V.S.A. § 1264a (Locally Produced Foods) as added by this act.

4        Sec. 6. CORRECTIONAL FACILITIES

5        (a) It is a goal of the State that by the year 2023 at least 20 percent of all  
6        foods purchased for meals served in correctional facilities shall be locally  
7        produced foods. As used in this section, “locally produced foods” mean:

8            (1) fruits, vegetables, meat, poultry, dairy, maple syrup, or eggs that are  
9            grown, raised, or produced in Vermont or within 30 miles of the Vermont  
10          border; and

11          (2) foods processed in Vermont with at least 75 percent Vermont-grown,  
12          Vermont-raised, or Vermont-produced ingredients, with fluid milk counted as  
13          a processed food.

14          (b) On or before January 31, 2021 and annually thereafter, the Department  
15          of Corrections shall report to the House Committees on Agriculture and  
16          Forestry and on Corrections and Institutions and the Senate Committees on  
17          Agriculture and on Institutions the estimated percentage of locally produced  
18          foods purchased by correctional facilities during the previous fiscal year.

19          Sec. 7. EFFECTIVE DATE

20          This act shall take effect on passage.



1 (Committee vote: \_\_\_\_\_)

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\_\_\_\_\_

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Senator \_\_\_\_\_

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FOR THE COMMITTEE