

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

# HOUSE BILL NOS. 2121, 1747 & 2244

98TH GENERAL ASSEMBLY

4857H.03P

D. ADAM CRUMBLISS, Chief Clerk

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## AN ACT

To repeal sections 262.960, 262.962, and 348.407, RSMo, and to enact in lieu thereof three new sections relating to the farm-to-table act.

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

Section A. Sections 262.960, 262.962, and 348.407, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 262.960, 262.962, and 348.407, to read as follows: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] **Farm-to-Table Act**".

2. There is hereby created within the department of agriculture the "[Farm-to-School] **Farm-to-Table Program**" to connect Missouri farmers and [schools] **institutions** in order to provide [schools] **institutions** with locally grown agricultural products for inclusion in [school] meals and snacks and to strengthen local farming economies. **The department shall establish guidelines for participation and parameters for program goals, which shall include, but not be limited to, participating institutions purchasing at least ten percent of their food products locally by December 31, 2019.** The department shall designate an employee to administer and monitor the [farm-to-school] **farm-to-table** program and to serve as liaison between Missouri farmers and [schools] **institutions**.

3. The following agencies shall make staff available to the Missouri [farm-to-school] **farm-to-table** 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]

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.

17 (3) The office of administration; **and**

18 **(4) The department of corrections.**

19 4. The duties of the department employee coordinating the [farm-to-school] **farm-to-**  
20 **table** program shall include, but not be limited to:

21 (1) Establishing and maintaining a website database to allow farmers and [schools]  
22 **institutions** to connect whereby farmers can enter the locally grown agricultural products they  
23 produce along with pricing information, the times such products are available, and where they  
24 are willing to distribute such products;

25 (2) Providing leadership at the state level to encourage [schools] **institutions** to procure  
26 and use locally grown agricultural products;

27 (3) Conducting workshops and training sessions and providing technical assistance to  
28 [school] **institution** food service directors, personnel, farmers, and produce distributors and  
29 processors regarding the [farm-to-school] **farm-to-table** program; and

30 (4) Seeking grants, private donations, or other funding sources to support the  
31 [farm-to-school] **farm-to-table** program.

262.962. 1. As used in this section, section 262.960, and subsection 5 of section  
2 348.407, the following terms shall mean:

3 (1) **“Institutions”, facilities including, but not limited to, schools, correctional**  
4 **facilities, hospitals, nursing homes, long-term care facilities, and military bases;**

5 (2) "Locally grown agricultural products", food or fiber produced or processed by a small  
6 agribusiness or small farm;

7 [(2)] (3) "Schools", includes any school in this state that maintains a food service  
8 program under the United States Department of Agriculture and administered by the school;

9 [(3)] (4) "Small agribusiness", a qualifying agribusiness as defined in section 348.400,  
10 and located in Missouri with gross annual sales of less than five million dollars;

11 [(4)] (5) "Small farm", a family-owned farm or family farm corporation as defined in  
12 section 350.010, and located in Missouri with less than two hundred fifty thousand dollars in  
13 gross sales per year.

14 2. There is hereby created a taskforce under the AgriMissouri **marketing** program  
15 established in section 261.230, which shall be known as the "[Farm-to-School] **Farm-to-Table**  
16 **Taskforce**". The taskforce shall be made up of at least one representative from each of the  
17 following [agencies]: the University of Missouri extension service, the department of  
18 agriculture, **the department of corrections, the department of health and senior services**, the  
19 department of elementary and secondary education, [and] the office of administration, **and a**  
20 **representative from one of the military bases in the state.** In addition, the director of the  
21 department of agriculture shall appoint [two persons] **one person** actively engaged in the practice

22 of small agribusiness. In addition, the [director of the department of elementary and secondary]  
23 **commissioner of education** shall appoint [two persons] **one person** from [schools] **a school**  
24 within the state who [direct] **directs** a food service program. **The director of the department**  
25 **of corrections shall appoint one person employed as a correctional facility food service**  
26 **director. The director of the department of health and senior services shall appoint one**  
27 **person employed as a hospital or nursing home food service director.** One representative  
28 for the department of agriculture shall serve as the chairperson for the taskforce and shall  
29 coordinate the taskforce meetings. The taskforce shall hold at least two meetings, but may hold  
30 more as it deems necessary to fulfill its requirements under this section. Staff of the department  
31 of agriculture may provide administrative assistance to the taskforce if such assistance is  
32 required.

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

34 (1) Allow [schools] **institutions** to more easily incorporate locally grown agricultural  
35 products into their cafeteria offerings, salad bars, and vending machines; and

36 (2) Allow [schools] **institutions** to work with food service providers to ensure greater  
37 use of locally grown agricultural products by developing standardized language for food service  
38 contracts.

39 4. In fulfilling its mission under this section, the taskforce shall review various food  
40 service contracts of [schools] **institutions** within the state to identify standardized language that  
41 could be included in such contracts to allow [schools] **institutions** to more easily procure and  
42 use locally grown agricultural products.

43 5. The taskforce shall prepare a report containing its findings and recommendations and  
44 shall deliver such report to the governor, the general assembly, and to the director of each  
45 [agency] **entity** represented on the taskforce [by no later than December 31, 2015] **no later than**  
46 **December thirty-first of each year.**

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

50 [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 to  
13 access resources for accessing and processing locally grown agricultural products for use in  
14 [schools] **institutions, as defined in section 262.962**, within the state.

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

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

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

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

34           10. The authority may provide for consulting services in the building of the physical  
35 facilities of the business.

36           11. The authority may provide for consulting services in the operation of the business.

37           12. The authority may provide for such services through employees of the state or by  
38 contracting with private entities.

39           13. The authority may consider the following in making the decision:

40           (1) The applicant's commitment to the project through the applicant's risk;

41           (2) Community involvement and support;

42           (3) The phase the project is in on an annual basis;

43           (4) The leaders and consultants chosen to direct the project;

- 44 (5) The amount needed for the project to achieve the bankable stage; and  
45 (6) The project's planning for long-term success through feasibility studies, marketing  
46 plans, and business plans.
- 47 14. The department of agriculture, the department of natural resources, the department  
48 of economic development and the University of Missouri may provide such assistance as is  
49 necessary for the implementation and operation of this section. The authority may consult with  
50 other state and federal agencies as is necessary.
- 51 15. The authority may charge fees for the provision of any service pursuant to this  
52 section.
- 53 16. The authority may adopt rules to implement the provisions of this section.
- 54 17. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
55 created under the authority delegated in sections 348.005 to 348.180 shall become effective only  
56 if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
57 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect  
58 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any  
59 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions  
60 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the  
61 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove  
62 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
63 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

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