

SECOND REGULAR SESSION

SENATE BILL NO. 878

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR BROWN.

Read 1st time January 11, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5738S.011

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 program, with a delayed effective date.

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Section A. Sections 262.960, 262.962, and 348.407, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 262.960,
3 262.962, and 348.407, to read as follows:

262.960. 1. This section shall be known and may be cited as the
2 "[Farm-to-School] **Farm-to-Table Act**".

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

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

17 (1) The department of health and senior services;

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 (2) The department of elementary and secondary education; [and]

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

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

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

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

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

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

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

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

3 (1) **"Institutions", facilities including, but not limited to, schools,**
4 **correctional facilities, hospitals, nursing homes, and military bases;**

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

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

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

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

16 2. There is hereby created a taskforce under the AgriMissouri **marketing**
17 program established in section 261.230, which shall be known as the
18 "[Farm-to-School] **Farm-to-Table** Taskforce". The taskforce shall be made up
19 of at least one representative from each of the following [agencies]: the

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

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

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

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

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

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

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

59 [7. This section shall expire on December 31, 2015.]

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

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

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

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

15 5. The authority may make grants, loans, or loan guarantees to Missouri
16 businesses to access resources for accessing and processing locally grown
17 agricultural products for use in [schools] **institutions, as defined in section**
18 **262.962**, within the state.

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

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

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

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

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

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

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

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

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

50 (2) Community involvement and support;

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

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

53 (5) The amount needed for the project to achieve the bankable stage; and

54 (6) The project's planning for long-term success through feasibility
55 studies, marketing plans, and business plans.

56 14. The department of agriculture, the department of natural resources,
57 the department of economic development and the University of Missouri may
58 provide such assistance as is necessary for the implementation and operation of
59 this section. The authority may consult with other state and federal agencies as
60 is necessary.

61 15. The authority may charge fees for the provision of any service
62 pursuant to this section.

63 16. The authority may adopt rules to implement the provisions of this
64 section.

65 17. Any rule or portion of a rule, as that term is defined in section
66 536.010, that is created under the authority delegated in sections 348.005 to
67 348.180 shall become effective only if it complies with and is subject to all of the
68 provisions of chapter 536 and, if applicable, section 536.028. All rulemaking

69 authority delegated prior to August 28, 1999, is of no force and effect and
70 repealed. Nothing in this section shall be interpreted to repeal or affect the
71 validity of any rule filed or adopted prior to August 28, 1999, if it fully complied
72 with all applicable provisions of law. This section and chapter 536 are
73 nonseverable and if any of the powers vested with the general assembly pursuant
74 to chapter 536 to review, to delay the effective date or to disapprove and annul
75 a rule are subsequently held unconstitutional, then the grant of rulemaking
76 authority and any rule proposed or adopted after August 28, 1999, shall be
77 invalid and void.

Section B. The repeal and reenactment of section A of this act shall
2 become effective January 1, 2017.

✓

Bill

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