

**First Regular Session
Seventy-second General Assembly
STATE OF COLORADO**

REENGROSSED

*This Version Includes All Amendments
Adopted in the House of Introduction*

LLS NO. 19-0775.01 Jerry Barry x4341

HOUSE BILL 19-1132

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A BILL FOR AN ACT

101 **CONCERNING COLORADO FOOD PRODUCTS IN SCHOOLS, AND, IN**
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

HOUSE
3rd Reading Unamended
April 16, 2019

HOUSE
Amended 2nd Reading
April 12, 2019

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.

1 *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

1 ARE HEATED, COOKED, OR CANNED.

2 (4) "PARTICIPATING PROVIDER" MEANS A SCHOOL DISTRICT,
3 CHARTER SCHOOL, BOARD OF COOPERATIVE SERVICES THAT OPERATES A
4 PUBLIC SCHOOL, OR RESIDENTIAL CHILD CARE CENTER AS DEFINED IN
5 SECTION 26-6-102 (5) THAT PARTICIPATES IN THE FEDERAL "RICHARD B.
6 RUSSELL NATIONAL SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.,
7 AND THAT HAS BEEN SELECTED BY THE DEPARTMENT TO PARTICIPATE IN
8 THE SCHOOL FOOD PURCHASING PROGRAM PURSUANT TO SECTION
9 22-99-102 (2)(b).

10 (5) "SCHOOL FOOD PURCHASING PROGRAM" MEANS THE LOCAL
11 SCHOOL FOOD PURCHASING PROGRAM CREATED PURSUANT TO SECTION
12 22-99-102.

13 (6) "TECHNICAL ASSISTANCE AND EDUCATION PROGRAM" MEANS
14 THE LOCAL SCHOOL FOOD PURCHASING TECHNICAL ASSISTANCE AND
15 EDUCATION GRANT PROGRAM CREATED PURSUANT TO SECTION 22-99-103.

16 (7) "VALUE-ADDED PROCESSED PRODUCTS" MEANS PRODUCTS
17 THAT ARE ALTERED FROM THEIR UNPROCESSED OR MINIMALLY PROCESSED
18 STATE THROUGH PRESERVATION TECHNIQUES, INCLUDING COOKING,
19 BAKING, OR CANNING.

20 **22-99-102. Local school food purchasing program - creation**

21 **- rules - report.** (1) THERE IS CREATED IN THE DEPARTMENT THE LOCAL
22 SCHOOL FOOD PURCHASING PROGRAM TO REIMBURSE PARTICIPATING
23 PROVIDERS FOR THE PURCHASE OF COLORADO GROWN, RAISED, OR
24 PROCESSED PRODUCTS.

25 (2) (a) ON OR BEFORE DECEMBER 1, 2019, AND ON OR BEFORE
26 DECEMBER 1 OF ANY YEAR THEREAFTER, A SCHOOL DISTRICT, CHARTER
27 SCHOOL, BOARD OF COOPERATIVE SERVICES THAT OPERATES A PUBLIC

1 SCHOOL, OR RESIDENTIAL CHILD CARE CENTER MAY APPLY TO THE
2 DEPARTMENT ON A FORM DEVELOPED BY THE DEPARTMENT TO
3 PARTICIPATE IN THE SCHOOL FOOD PURCHASING PROGRAM TO RECEIVE
4 REIMBURSEMENT FOR THE PURCHASE OF COLORADO GROWN, RAISED, OR
5 PROCESSED PRODUCTS PURSUANT TO THIS SECTION.

6 (b) ON OR BEFORE MARCH 1, 2020, AND ON OR BEFORE EACH
7 MARCH 1 THEREAFTER, THE DEPARTMENT SHALL SELECT PARTICIPATING
8 PROVIDERS. THE DEPARTMENT SHALL SELECT PARTICIPATING PROVIDERS
9 THAT IN THE PREVIOUS YEAR FOR WHICH NUMBERS ARE AVAILABLE THE
10 TOTAL NUMBER OF LUNCHESES PROVIDED BY ALL PARTICIPATING PROVIDERS
11 WAS SEVEN MILLION OR FEWER. THE DEPARTMENT SHALL GIVE
12 PREFERENCE TO APPLICANTS THAT:

13 (I) DEMONSTRATE A COMMITMENT TO LOCAL PURCHASING OR
14 FOOD AND AGRICULTURAL EDUCATION;

15 (II) HAVE A KITCHEN WITH THE ABILITY TO STORE, PREPARE, AND
16 SERVE LOCAL FOOD PRODUCTS;

17 (III) HAVE GREATER THAN TWENTY-FIVE PERCENT OF ITS
18 STUDENTS ELIGIBLE FOR FREE OR REDUCED-PRICE LUNCH PURSUANT TO
19 THE PROVISIONS OF THE FEDERAL "RICHARD B. RUSSELL NATIONAL
20 SCHOOL LUNCH ACT", 42 U.S.C. SEC. 1751 ET SEQ.; AND

21 (IV) SATISFY ANY OTHER ELIGIBILITY REQUIREMENTS
22 ESTABLISHED BY THE STATE BOARD OF EDUCATION BY RULE.

23 (c) ON OR BEFORE AUGUST 1 OF THE YEAR FOLLOWING THE
24 PARTICIPATING PROVIDER'S APPLICATION, THE PARTICIPATING PROVIDER
25 SHALL TRACK AND REPORT TO THE DEPARTMENT ON A FORM DEVELOPED
26 BY THE DEPARTMENT FOR THE SCHOOL YEAR IN WHICH IT APPLIED, AND
27 FOR THE PRIOR YEAR, THE TOTAL AMOUNT OF COLORADO GROWN, RAISED,

1 OR PROCESSED PRODUCTS IT PURCHASED FOR STUDENT MEALS, THE TOTAL
2 AMOUNT OF VALUE-ADDED PROCESSED PRODUCTS IT PURCHASED FOR
3 SCHOOL MEALS, AND THE TOTAL NUMBER OF LUNCHES THAT IT PROVIDED
4 TO STUDENTS.

5 (3) (a) (I) IN OCTOBER 2020 AND EACH OCTOBER THEREAFTER,
6 THE DEPARTMENT SHALL REIMBURSE EACH PARTICIPATING PROVIDER
7 PARTICIPATING IN THE SCHOOL FOOD PURCHASING PROGRAM AS OF THE
8 PREVIOUS DECEMBER 1 FOR THE AMOUNT SPENT FOR MEALS FOR
9 STUDENTS ON COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS, UP
10 TO THE MAXIMUM INCENTIVE ESTABLISHED PURSUANT TO SUBSECTION
11 (3)(b) OF THIS SECTION; EXCEPT THAT A PARTICIPATING PROVIDER SHALL
12 NOT BE REIMBURSED FOR THE AMOUNT OF VALUE-ADDED PROCESSED
13 PRODUCTS THAT EXCEEDS TWENTY-FIVE PERCENT OF THE TOTAL OF THE
14 COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS IT PURCHASED.

15 (II) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (3)(a)(I)
16 OF THIS SECTION, THE MAXIMUM AMOUNT OF REIMBURSEMENTS THAT MAY
17 BE AWARDED IN ANY YEAR IS FIVE HUNDRED THOUSAND DOLLARS. IF THE
18 TOTAL OF ALL ELIGIBLE REIMBURSEMENTS AS CALCULATED UNDER
19 SUBSECTION (3)(a)(I) OF THIS SECTION EXCEEDS FIVE HUNDRED THOUSAND
20 DOLLARS, EACH PARTICIPATING PROVIDER'S REIMBURSEMENT AMOUNT
21 MUST BE REDUCED PROPORTIONATELY.

22 (b) EACH PARTICIPATING PROVIDER IS ENTITLED TO BE
23 REIMBURSED FOR AN AMOUNT UP TO THE NUMBER OF SCHOOL LUNCHES
24 PROVIDED BY THE PARTICIPATING PROVIDER AS REPORTED TO THE
25 DEPARTMENT PURSUANT TO SUBSECTION (2) OF THIS SECTION, DIVIDED BY
26 THE TOTAL NUMBER OF LUNCHES REPORTED BY ALL PARTICIPATING
27 PROVIDERS, MULTIPLIED BY THE TOTAL APPROPRIATION FOR THE SCHOOL

1 FOOD PURCHASING PROGRAM FOR PARTICIPATING PROVIDERS.

2 (4) REIMBURSEMENT PAYMENTS PURSUANT TO THIS SECTION
3 ACCRUE TO THE PARTICIPATING PROVIDER'S NONPROFIT SCHOOL FOOD
4 ACCOUNT.

5 (5) (a) THE STATE BOARD OF EDUCATION IS AUTHORIZED TO ADOPT
6 RULES TO IMPLEMENT THE SCHOOL FOOD PURCHASING PROGRAM.

7 (b) THE DEPARTMENT IS AUTHORIZED TO MONITOR THE SCHOOL
8 FOOD PURCHASING PROGRAM TO ENSURE PROGRAM INTEGRITY AND TO
9 ANNUALLY REALLOCATE MONEY AMONG PARTICIPATING PROVIDERS TO
10 MAXIMIZE THE AMOUNT OF THE MONEY GIVEN.

11 **22-99-103. Local school food purchasing technical assistance**

12 **and education grant program - created - report.** (1) THERE IS
13 CREATED IN THE DEPARTMENT THE LOCAL SCHOOL FOOD PURCHASING
14 TECHNICAL ASSISTANCE AND EDUCATION GRANT PROGRAM TO ISSUE A
15 GRANT TO A STATEWIDE NONPROFIT ORGANIZATION TO DEVELOP AND
16 MANAGE A GRANT PROGRAM TO ASSIST WITH THE PROMOTION OF
17 COLORADO GROWN, RAISED, OR PROCESSED PRODUCTS TO PARTICIPATING
18 PROVIDERS.

19 (2) SUBJECT TO AVAILABLE APPROPRIATIONS, THE NONPROFIT
20 ORGANIZATION MAY AWARD GRANTS FOR THE FOLLOWING:

21 (a) TRAINING, TECHNICAL ASSISTANCE, AND PHYSICAL
22 INFRASTRUCTURE GRANTS TO PARTICIPATING PROVIDERS, GROWER
23 ASSOCIATIONS, OR OTHER ORGANIZATIONS THAT AGGREGATE PRODUCTS
24 FROM PRODUCERS FOR:

25 (I) PROFESSIONAL CONTRACTING SERVICES TO SUPPORT THE
26 DEVELOPMENT AND SUSTAINABILITY OF LOCAL AND REGIONAL FOOD
27 SYSTEMS;

1 (II) CHEF TRAINING ON FOOD HANDLING AND PROCUREMENT
2 PRACTICES AND SMALL KITCHEN EQUIPMENT PURCHASES;

3 (III) GOOD AGRICULTURAL PRACTICES CERTIFICATION COSTS AND
4 GOOD HANDLING PRACTICES CERTIFICATION COSTS AND TRAINING ON
5 SELLING TO SCHOOLS; AND

6 (IV) CAPACITY BUILDING FOR LOCAL VALUE-ADDED PROCESSED
7 PRODUCTS; AND

8 (b) EDUCATION, OUTREACH, AND PROMOTION FOR:

9 (I) SCHOOLS TO ENGAGE FAMILIES AND COMMUNITIES AROUND THE
10 BENEFITS OF FARM-TO-SCHOOL AND WAYS TO SUPPORT FARM-TO-SCHOOL;
11 AND

12 (II) GROWER ASSOCIATIONS AND GROWERS TO COMMUNICATE TO
13 SCHOOLS AND SCHOOL COMMUNITIES ABOUT THE MULTIPLE BENEFITS OF
14 PURCHASING LOCAL PRODUCTS.

15 (3) THE NONPROFIT ORGANIZATION SHALL ANNUALLY REPORT TO
16 THE DEPARTMENT ON THE TECHNICAL ASSISTANCE AND EDUCATION
17 PROGRAM INCLUDING:

18 (a) THE NUMBER AND TYPES OF ENTITIES RECEIVING GRANTS;

19 (b) THE NUMBER, TYPES, AND PURPOSES OF THE GRANTS AWARDED
20 PURSUANT TO SUBSECTION (2)(a) OF THIS SECTION; AND

21 (c) THE TYPES OF EDUCATION AND OUTREACH CONDUCTED BY
22 PARTICIPATING PROVIDERS AND OTHERS PURSUANT TO SUBSECTION (2)(b)
23 OF THIS SECTION.

24 **22-99-104. Evaluation - report.** (1) ON OR BEFORE DECEMBER
25 1, 2021, AND ON OR BEFORE DECEMBER 1 OF EACH YEAR THEREAFTER, THE
26 DEPARTMENT SHALL SUBMIT A REPORT TO THE EDUCATION COMMITTEES
27 OF THE HOUSE OF REPRESENTATIVES AND THE SENATE, THE RURAL AFFAIRS

1 AND AGRICULTURE COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND
2 THE AGRICULTURE AND NATURAL RESOURCES COMMITTEE OF THE SENATE,
3 OR ANY SUCCESSOR COMMITTEES, ON THE EFFECT OF THE SCHOOL FOOD
4 PURCHASING PROGRAM ON THE AMOUNT OF COLORADO GROWN, RAISED,
5 OR PROCESSED PRODUCTS PURCHASED BY PARTICIPATING PROVIDERS,
6 INCLUDING:

7 (a) NAMES AND DEMOGRAPHIC DATA OF PARTICIPATING
8 PROVIDERS;

9 (b) DOLLAR AMOUNT SPENT ON COLORADO PRODUCTS DURING THE
10 SCHOOL FOOD PURCHASING PROGRAM, INCLUDING LOCAL PURCHASING
11 DATA FROM THE YEAR PRIOR TO THE SCHOOL FOOD PURCHASING PROGRAM
12 INCLUDED IN THE APPLICATION;

13 (c) PRODUCT CATEGORIES PURCHASED;

14 (d) NUMBER OF COLORADO PRODUCERS OR BUSINESSES
15 PARTICIPATING BY PARTICIPATING PROVIDER AND IN TOTAL;

16 (e) ECONOMIC IMPACT ON PARTICIPATING PROVIDERS, PRODUCERS,
17 AND ECONOMIES; AND

18 (f) QUALITATIVE PRODUCER AND PARTICIPATING PROVIDER
19 SURVEYS.

20 (2) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
21 (11)(a)(I), THE REPORTING REQUIREMENT PURSUANT TO SUBSECTION (1)
22 OF THIS SECTION CONTINUES INDEFINITELY.

23 **22-99-105. Repeal.** THIS ARTICLE 99 IS REPEALED, EFFECTIVE
24 JANUARY 1, 2023.

25 **SECTION 2. Appropriation.** For the 2019-20 state fiscal year,
26 \$168,942 is appropriated to the department of education. This
27 appropriation is from the general fund and is based on an assumption that

1 the department will require an additional 0.3 FTE. To implement this act,
2 the department may use this appropriation for local school food
3 purchasing programs.

4 **SECTION 3. Act subject to petition - effective date.** This act
5 takes effect at 12:01 a.m. on the day following the expiration of the
6 ninety-day period after final adjournment of the general assembly (August
7 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
8 referendum petition is filed pursuant to section 1 (3) of article V of the
9 state constitution against this act or an item, section, or part of this act
10 within such period, then the act, item, section, or part will not take effect
11 unless approved by the people at the general election to be held in
12 November 2020 and, in such case, will take effect on the date of the
13 official declaration of the vote thereon by the governor.