HB 1657-FN-A - AS INTRODUCED

2022 SESSION

22-2158
08/05

HOUSE BILL ***1657-FN-A***

AN ACT establishing a New Hampshire farm to school reimbursement program.

SPONSORS: Rep. Simpson, Rock. 36; Rep. Deshaies, Carr. 6; Rep. M. Murray, Hills. 22; Rep. Mullen, Hills. 7; Rep. Massimilla, Graf. 1; Rep. McGhee, Hills. 27; Rep. Allard, Merr. 21; Rep. Marsh, Carr. 8; Rep. Merchant, Sull. 4; Rep. Loughman, Rock. 21

COMMITTEE: Education

ANALYSIS

This bill establishes a New Hampshire farm to school reimbursement program and makes an appropriation therefor.

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Explanation: Matter added to current law appears in ***bold italics.***
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Two

AN ACT establishing a New Hampshire farm to school reimbursement program.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 New Subdivision; Farm to School Reimbursement Program. Amend RSA 189 by inserting after section 73 the following new subdivision:

Farm to School Reimbursement Program

189:74 Farm to School Reimbursement Program.

I. The department of education shall establish a program to reimburse school administrative units for money spent to purchase food from New Hampshire and New England farms. Only school districts participating in the National School Lunch Program shall be eligible for reimbursement.

II. Food purchases shall fall into one of 2 tiers, depending on the origin of the food. Tier one foods shall originate in New Hampshire. Tier 2 foods shall originate in Maine, Vermont, Massachusetts, Rhode Island, or Connecticut. Food purchases by school districts shall include food hub purchases, direct purchases from farms, and conventional distributor purchases. The place of origin shall be confirmed through self-attestation from the originating producer or any other means required by the federal government or the department of education, office of nutrition programs and services.

III. The department shall make rules under RSA 541-A relative to the specifications and qualifications for eligible foods including, dairy, fish, pork, beef, poultry, eggs, fruits, vegetables, cider, and maple syrup.

IV. All food purchased through the program shall comply with National School Lunch Program guidelines.

V. School districts making a claim for reimbursement shall submit a copy of the invoices for eligible purchases by the 15th of the month following their purchase. Products shall be reimbursed at the following rates:

(a) Tier one products shall be reimbursed at 33.3 percent of cost.

(b) Tier 2 products shall be reimbursed at 16.6 percent of cost.

VI. School districts shall return money to the schools in proportion to how much the schools paid to the school district for nutrition programs. No school shall receive total reimbursements over $1200 per year.

VII. The department shall develop an annual survey to be distributed to school districts in order to collect data to improve the program.

2 Appropriation. The sum of $600,000 for the fiscal year ending June 30, 2023 is hereby appropriated to the department of education, office of nutrition programs and services, to initiate the

farm to school reimbursement program. $40,000 of such appropriation shall be used to support information technology related to the program. Any moneys not spent by the program shall not lapse. The governor is authorized to draw a warrant for said sum out of any money in the treasury not otherwise appropriated.

3 Effective Date. This act shall take effect July 1, 2022.

LBA
22-2158
Redraft 12/27/21

HB 1657-FN-A- FISCAL NOTE
AS INTRODUCED

AN ACT establishing a New Hampshire farm to school reimbursement program.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2022**	**FY 2023**	**FY 2024**	**FY 2025**
Appropriation	$0	$600,000	$0	$0
Revenue	$0	$0	$0	$0
Expenditures	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	[X] General	[ ] Education	[ ] Highway	[ ] Other

LOCAL:

Revenue	$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Expenditures	$0	$0	$0	$0

METHODOLOGY:

This bill establishes a New Hampshire Farm to school reimbursement program, to be administered by the Department of Education, and makes a $600,000 general fund appropriation in FY 2023 to initiate the program (of which $40,000 shall be used to support information technology related to the program).

The Department of Education indicates it would be required to establish a new program, for Local Education Agencies (LEAs) participating in National School Lunch Program, to reimburse School Administrative Units (not LEAs) for food purchased from New Hampshire and New England farms. Food purchased from New Hampshire farms ("Tier 1") would be reimbursed 33.3 percent of the cost, and food purchased from New England farms ("Tier 2") farms would be reimbursed at 16.6 percent of cost not to exceed a total school-level reimbursement of $1,200 per year. The Department would be required to:

- Develop processes and procedures for reviewing claims, providing reimbursements, and procedures for self-attestation of food place of origin;
- Promulgate administrative rules regarding the specifications and qualifications for eligible foods;

- Design and execute improvements to the Office of Nutrition Programs and Service's food and nutrition information technology systems to accommodate an indeterminate number of new claims (funded by the bill at $40,000);
- Provide training, technical assistance, and monitor food purchase compliance with National School Lunch Program guidelines and regulations; and
- Develop and administer an annual LEA survey.

The Department estimates these new responsibilities would require two additional full-time Program Specialist II positions (LG 21, Step 5). The cost for these positions including salary, benefits, office space and equipment is estimated at $180,000 in FY 2023, $180,000 in FY 2024, and $188,000 in FY 2025.

The LEAs would select eligible vendors, procure eligible foods and document and submit claims for reimbursement. This would be a new fiscal and administrative responsibility for the SAUs, LEAs, and schools. Additionally, the handling and preparation of local unprocessed foods would require new food preparation skills for food service staff and extend the food preparation time. The Department states the impact on local expenditures cannot be determined.

This bill does not establish new full-time positions.

AGENCIES CONTACTED:

Department of Education