

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

INTRODUCED

LLS NO. 19-0775.01 Jerry Barry x4341

HOUSE BILL 19-1132

HOUSE SPONSORSHIP

Buentello,

SENATE SPONSORSHIP

Coram,

House Committees

Rural Affairs & Agriculture
Education

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING COLORADO FOOD PRODUCTS IN SCHOOLS.**

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 previous school year or award the eligible provider an amount based on the percentage 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.

1 (4) "INCENTIVE GRANT PROGRAM" MEANS THE COLORADO FOOD
2 PRODUCTS PURCHASING INCENTIVES GRANT PROGRAM CREATED PURSUANT
3 TO SECTION 22-99-102.

4 (5) "MINIMALLY PROCESSED PRODUCTS" MEANS RAW OR FROZEN
5 FABRICATED PRODUCTS, PRODUCTS THAT RETAIN THEIR INHERENT
6 CHARACTER SUCH AS CARROTS OR DICED ONIONS, AND DRIED PRODUCTS,
7 BUT DOES NOT INCLUDE ANY PRODUCTS THAT ARE COOKED OR CANNED.

8 (6) "VALUE-ADDED PROCESSED PRODUCTS" MEANS PRODUCTS
9 THAT ARE ALTERED FROM THEIR UNPROCESSED OR MINIMALLY PROCESSED
10 STATE THROUGH PRESERVATION TECHNIQUES INCLUDING COOKING,
11 BAKING, OR CANNING.

12 **22-99-102. Colorado food products purchasing incentives**
13 **grant program - creation - rules - report. (1) Program.** THERE IS
14 CREATED IN THE DEPARTMENT THE COLORADO FOOD PRODUCTS
15 PURCHASING INCENTIVES GRANT PROGRAM TO PROVIDE INCENTIVES TO
16 ELIGIBLE PROVIDERS TO PURCHASE COLORADO GROWN, RAISED, AND
17 PROCESSED PRODUCTS.

18 (2) (a) **Baseline year.** ON OR BEFORE DECEMBER 1, 2019, OR ON
19 OR BEFORE DECEMBER 1 OF ANY YEAR THEREAFTER, AN ELIGIBLE
20 PROVIDER MAY APPLY TO THE DEPARTMENT ON A FORM DEVELOPED BY
21 THE DEPARTMENT TO PARTICIPATE IN THE INCENTIVE GRANT PROGRAM TO
22 RECEIVE INCENTIVES PURSUANT TO SUBSECTIONS (3) TO (5) OF THIS
23 SECTION. ON OR BEFORE AUGUST 1 OF THE YEAR FOLLOWING THE ELIGIBLE
24 PROVIDER'S INITIAL APPLICATION TO THE INCENTIVES GRANT PROGRAM
25 PURSUANT TO THIS SUBSECTION (2), THE APPLICANT SHALL TRACK AND
26 REPORT TO THE DEPARTMENT ON A FORM DEVELOPED BY THE
27 DEPARTMENT FOR THE SCHOOL YEAR IN WHICH IT APPLIED THE TOTAL

1 AMOUNT OF COLORADO GROWN, RAISED, AND PROCESSED PRODUCTS IT
2 PURCHASED FOR STUDENT MEALS, THE TOTAL AMOUNT OF VALUE-ADDED
3 PROCESSED PRODUCTS IT PURCHASED FOR SCHOOL MEALS, THE TOTAL
4 AMOUNT OF PRODUCTS PURCHASED FOR STUDENT MEALS, AND THE TOTAL
5 NUMBER OF LUNCHESES THAT IT PROVIDED TO STUDENTS.

6 (b) **Subsequent years.** ON OR BEFORE DECEMBER 1 OF EACH YEAR
7 FOLLOWING THE ELIGIBLE PROVIDER'S INITIAL APPLICATION FOR
8 PARTICIPATION IN THE INCENTIVE GRANT PROGRAM, AN ELIGIBLE
9 PROVIDER THAT WISHES TO CONTINUE PARTICIPATION IN THE INCENTIVE
10 GRANT PROGRAM MUST SUBMIT AN APPLICATION TO THE DEPARTMENT ON
11 A FORM DEVELOPED BY THE DEPARTMENT. ON OR BEFORE AUGUST 20 OF
12 EACH YEAR THEREAFTER THAT AN ELIGIBLE PROVIDER WISHES TO RECEIVE
13 A PRIMARY INCENTIVE PURSUANT TO SUBSECTION (3) OF THIS SECTION,
14 THE ELIGIBLE PROVIDER SHALL TRACK AND REPORT TO THE DEPARTMENT
15 ON A FORM DEVELOPED BY THE DEPARTMENT FOR THE PREVIOUS SCHOOL
16 YEAR THE TOTAL AMOUNT OF COLORADO GROWN, RAISED, AND
17 PROCESSED PRODUCTS IT PURCHASED FOR STUDENT MEALS, THE TOTAL
18 AMOUNT OF PRODUCTS PURCHASED FOR STUDENT MEALS, AND THE TOTAL
19 NUMBER OF LUNCHESES THAT IT PROVIDED TO STUDENTS.

20 (3) **Primary incentive.** (a) IN OCTOBER 2020 AND EACH
21 OCTOBER THEREAFTER, THE DEPARTMENT SHALL REIMBURSE EACH
22 ELIGIBLE PROVIDER PARTICIPATING IN THE INCENTIVE GRANT PROGRAM AS
23 OF THE PREVIOUS DECEMBER 1 FOR THE AMOUNT SPENT FOR MEALS FOR
24 STUDENTS ON COLORADO GROWN, RAISED, AND PROCESSED PRODUCTS, UP
25 TO THE MAXIMUM INCENTIVE ESTABLISHED PURSUANT TO SUBSECTION
26 (3)(b) OF THIS SECTION; EXCEPT THAT AN ELIGIBLE PROVIDER SHALL NOT
27 BE REIMBURSED FOR THE AMOUNT OF VALUE-ADDED PROCESSED

1 PRODUCTS THAT EXCEEDS TWENTY-FIVE PERCENT OF THE TOTAL OF THE
2 COLORADO GROWN, RAISED, AND PROCESSED PRODUCTS IT PURCHASED.

3 (b) EACH ELIGIBLE PROVIDER IS ENTITLED TO A PRIMARY
4 INCENTIVE IN AN AMOUNT UP TO THE NUMBER OF SCHOOL LUNCHES
5 PROVIDED BY THE ELIGIBLE PROVIDER AS REPORTED TO THE DEPARTMENT
6 PURSUANT TO SUBSECTION (2) OF THIS SECTION, DIVIDED BY THE TOTAL
7 NUMBER OF LUNCHES REPORTED BY ALL ELIGIBLE PROVIDERS, MULTIPLIED
8 BY THE TOTAL APPROPRIATION FOR PRIMARY INCENTIVE GRANTS.

9 (4) **Increase purchase incentive.** (a) STARTING WITH THE
10 2020-21 SCHOOL YEAR AND EVERY SCHOOL YEAR THEREAFTER, AN
11 ELIGIBLE PROVIDER PARTICIPATING IN THE INCENTIVE GRANT PROGRAM AS
12 OF THE PREVIOUS DECEMBER 1 MAY BE ELIGIBLE FOR AN ADDITIONAL
13 INCREASED PURCHASE INCENTIVE OF ONE CENT FOR EVERY LUNCH THAT
14 IT PROVIDED IN THAT SCHOOL YEAR. BASED ON THE REPORTS SUBMITTED
15 BY THE ELIGIBLE PROVIDERS PURSUANT TO SUBSECTION (2) OF THIS
16 SECTION, AN ELIGIBLE PROVIDER IS ENTITLED TO AN INCREASED PURCHASE
17 INCENTIVE IF:

18 (I) THE PERCENTAGE OF COLORADO GROWN, RAISED, AND
19 PROCESSED PRODUCTS THE PROVIDER PURCHASED FOR MEALS INCREASED
20 BY TWO PERCENT OR MORE OVER THE PREVIOUS SCHOOL YEAR; OR

21 (II) THE PERCENTAGE OF COLORADO GROWN, RAISED, AND
22 PROCESSED PRODUCTS THE PROVIDER PURCHASED FOR MEALS WAS AT
23 LEAST FIFTY PERCENT OF THE TOTAL PRODUCTS PURCHASED.

24 (b) IN OCTOBER 2021 AND EACH OCTOBER THEREAFTER, THE
25 DEPARTMENT SHALL PAY TO EACH ELIGIBLE PROVIDER THAT IS ELIGIBLE
26 FOR AN INCREASE PURCHASE INCENTIVE PURSUANT TO THIS SUBSECTION
27 (4) ONE CENT FOR EVERY LUNCH THAT IT PROVIDED IN THE PREVIOUS

1 SCHOOL YEAR.

2 (5) **Bonus purchase incentive.** (a) STARTING WITH THE 2020-21
3 SCHOOL YEAR AND EVERY SCHOOL YEAR THEREAFTER, AN ELIGIBLE
4 PROVIDER PARTICIPATING IN THE INCENTIVE GRANT PROGRAM AS OF THE
5 PREVIOUS DECEMBER 1 MAY BE ELIGIBLE FOR A BONUS PURCHASE
6 INCENTIVE OF ONE CENT FOR EVERY LUNCH THAT IT PROVIDED IN THAT
7 SCHOOL YEAR. BASED ON THE REPORTS SUBMITTED BY THE ELIGIBLE
8 PROVIDERS PURSUANT TO SUBSECTION (2) OF THIS SECTION, AN ELIGIBLE
9 PROVIDER IS ENTITLED TO A BONUS PURCHASE INCENTIVE IF THE
10 PERCENTAGE OF COLORADO GROWN, RAISED, AND PROCESSED PRODUCTS
11 THE ELIGIBLE PROVIDER PURCHASED FOR MEALS WAS AT LEAST FIFTY
12 PERCENT OF THE TOTAL PRODUCTS PURCHASED.

13 (b) IN OCTOBER 2021, AND EACH OCTOBER THEREAFTER, THE
14 DEPARTMENT SHALL PAY TO EACH ELIGIBLE PROVIDER THAT IS ELIGIBLE
15 FOR A BONUS PURCHASE INCENTIVE PURSUANT TO THIS SUBSECTION (5)
16 ONE CENT FOR EVERY LUNCH THAT IT PROVIDED IN THE PREVIOUS SCHOOL
17 YEAR.

18 (6) GRANT PAYMENTS UNDER THIS SECTION ACCRUE TO THE
19 ELIGIBLE PROVIDER'S NONPROFIT SCHOOL FOOD ACCOUNT.

20 (7) (a) THE STATE BOARD OF EDUCATION IS AUTHORIZED TO ADOPT
21 RULES TO IMPLEMENT THE INCENTIVE GRANT PROGRAM.

22 (b) THE DEPARTMENT IS AUTHORIZED TO MONITOR THE INCENTIVE
23 GRANT PROGRAM TO ENSURE PROGRAM INTEGRITY AND TO ANNUALLY
24 REALLOCATE MONEY AMONG ELIGIBLE PROVIDERS TO MAXIMIZE THE
25 AMOUNT OF THE GRANTS GIVEN.

26 (c) (I) ON OR BEFORE DECEMBER 1, 2021, AND ON OR BEFORE
27 DECEMBER 1 EVERY TWO YEARS THEREAFTER, THE DEPARTMENT SHALL

1 SUBMIT A REPORT TO THE EDUCATION AND AGRICULTURE COMMITTEES OF
2 THE HOUSE OF REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR
3 COMMITTEES, ON THE EFFECT OF THE INCENTIVES GRANT PROGRAM ON THE
4 AMOUNT OF COLORADO GROWN, RAISED, AND PROCESSED PRODUCTS
5 PURCHASED BY ELIGIBLE PROVIDERS.

6 (II) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
7 (11)(a)(I), THE REPORTING REQUIREMENT PURSUANT TO THIS SUBSECTION
8 (7)(c) CONTINUES INDEFINITELY.

9 **22-99-103. Colorado purchasing technical grant program -**
10 **created.** (1) THERE IS CREATED IN THE DEPARTMENT THE COLORADO
11 PURCHASING TECHNICAL GRANT PROGRAM TO ISSUE A GRANT TO A
12 STATEWIDE NONPROFIT ORGANIZATION TO DEVELOP AND MANAGE A
13 GRANT PROGRAM TO ASSIST WITH THE PROMOTION OF COLORADO GROWN,
14 RAISED, AND PROCESSED PRODUCTS TO ELIGIBLE PROVIDERS. SUBJECT TO
15 AVAILABLE APPROPRIATIONS, THE NONPROFIT ORGANIZATION MAY AWARD
16 GRANTS FOR THE FOLLOWING:

17 (a) TRAINING, TECHNICAL ASSISTANCE, AND PHYSICAL
18 INFRASTRUCTURE GRANTS TO ELIGIBLE PROVIDERS, AGRICULTURAL TRADE
19 ASSOCIATIONS, OR OTHER ORGANIZATIONS THAT AGGREGATE PRODUCTS
20 FROM PRODUCERS FOR:

21 (I) SUPPORTING DEVELOPMENT AND SUSTAINABILITY OF
22 COLORADO AND REGIONAL FOOD SYSTEMS;

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

25 (III) GOOD AGRICULTURAL PRACTICES CERTIFICATION COSTS AND
26 GOOD HANDLING PRACTICES CERTIFICATION COSTS AND TRAINING ON
27 SELLING TO SCHOOLS; AND

1 (IV) CAPACITY BUILDING FOR FOOD PROCESSING IN COLORADO;

2 AND

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

4 (I) SCHOOLS TO ENGAGE FAMILIES AND COMMUNITIES AROUND THE
5 BENEFITS OF FARM-TO-SCHOOL AND WAYS TO SUPPORT FARM-TO-SCHOOL;

6 AND

7 (II) TRADE ASSOCIATIONS AND PRODUCERS TO COMMUNICATE TO
8 SCHOOLS AND SCHOOL COMMUNITIES ABOUT THE MULTIPLE BENEFITS OF
9 PURCHASING COLORADO PRODUCTS.

10 (2) (a) THE NONPROFIT ORGANIZATION SHALL ANNUALLY
11 CONDUCT OR CONTRACT FOR THE CONDUCTING OF AN EVALUATION OF THE
12 COLORADO PURCHASING TECHNICAL GRANT PROGRAM PURSUANT TO THIS
13 SECTION, INCLUDING:

14 (I) THE NUMBER OF PARTICIPATING SCHOOL DISTRICTS, THE
15 DOLLAR AMOUNT SPENT ON COLORADO GROWN, RAISED, AND PROCESSED
16 PRODUCTS, AND A BREAKDOWN OF THE PRODUCT CATEGORIES
17 PURCHASED; AND

18 (II) TO THE EXTENT POSSIBLE, THE IMPACT ON PRODUCERS AND
19 COLORADO OR REGIONAL ECONOMIES.

20 (b) THE NONPROFIT ORGANIZATION SHALL ANNUALLY REPORT TO
21 THE DEPARTMENT ON THE GRANTS AWARDED PURSUANT TO SUBSECTION
22 (1) OF THIS SECTION AND THE EVALUATION DESCRIBED IN SUBSECTION
23 (2)(a) OF THIS SECTION.

24 **SECTION 2. Act subject to petition - effective date.** This act
25 takes effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly (August
27 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a

1 referendum petition is filed pursuant to section 1 (3) of article V of the
2 state constitution against this act or an item, section, or part of this act
3 within such period, then the act, item, section, or part will not take effect
4 unless approved by the people at the general election to be held in
5 November 2020 and, in such case, will take effect on the date of the
6 official declaration of the vote thereon by the governor.