

HOUSE BILL 147

M4, F1

(PRE-FILED)

2lr1036
CF SB 121

By: **Delegate Charkoudian**

Requested: October 29, 2021

Introduced and read first time: January 12, 2022

Assigned to: Environment and Transportation and Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Farms and Families Fund, Maryland Food and Agricultural**
3 **Resiliency Mechanism Grant Program, and Maryland Farm-to-School Meal**
4 **Grant Pilot Program – Alterations and Establishment**

5 FOR the purpose of altering the purpose and use of the Maryland Farms and Families
6 Fund; establishing the Maryland Food and Agricultural Resiliency Mechanism
7 Grant Program and Fund; establishing the Maryland Farm-to-School Meal Grant
8 Pilot Program and Fund; and generally relating to the Maryland Farms and Families
9 Fund, the Maryland Food and Agricultural Resiliency Mechanism Grant Program
10 and Fund, and the Maryland Farm-to-School Meal Grant Pilot Program and Fund.

11 BY repealing and reenacting, without amendments,
12 Article – Agriculture
13 Section 10–2001 and 10–2002
14 Annotated Code of Maryland
15 (2016 Replacement Volume and 2021 Supplement)

16 BY repealing and reenacting, with amendments,
17 Article – Agriculture
18 Section 10–2003 and 10–2004
19 Annotated Code of Maryland
20 (2016 Replacement Volume and 2021 Supplement)

21 BY adding to
22 Article – Agriculture
23 Section 10–2101 through 10–2103 to be under the new subtitle “Subtitle 21.
24 Maryland Food and Agricultural Resiliency Mechanism Grant Program”
25 Annotated Code of Maryland
26 (2016 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY adding to
2 Article – Education
3 Section 9.11–101 through 9.11–103 to be under the new title “Title 9.11. Maryland
4 Farm–to–School Meal Grant Pilot Program”
5 Annotated Code of Maryland
6 (2018 Replacement Volume and 2021 Supplement)

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
8 That the Laws of Maryland read as follows:

9 **Article – Agriculture**

10 10–2001.

- 11 (a) In this subtitle the following words have the meanings indicated.
- 12 (b) “FMNP” means the federal Farmers Market Nutrition Program.
- 13 (c) “Fund” means the Maryland Farms and Families Fund.
- 14 (d) “Program” means the Maryland Farms and Families Program.
- 15 (e) “SNAP” means the federal Supplemental Nutrition Assistance Program.
- 16 (f) “WIC” means the federal Special Supplemental Food Program for Women,
17 Infants, and Children.

18 10–2002.

- 19 (a) There is a Maryland Farms and Families Program in the Department.
- 20 (b) The purpose of the Program is to double the purchasing power of food–insecure
21 Maryland residents with limited access to fresh fruits and vegetables and to increase
22 revenue for farmers through redemption of federal nutrition benefits at Maryland farmers
23 markets.

24 10–2003.

- 25 (a) There is a Maryland Farms and Families Fund.
- 26 (b) The purpose of the Fund is to provide grants to:
- 27 (1) Nonprofit organizations that match purchases made with FMNP,
28 SNAP, and WIC benefits at participating farmers markets **AND FARM STANDS**;
- 29 (2) Nonprofit farmers markets to implement the Program at the farmers
30 markets; and

1 (3) Local nonprofit organizations to implement the Program in partnership
2 with one or more participating local farmers markets.

3 (c) The Secretary shall administer the Fund.

4 (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
5 the State Finance and Procurement Article.

6 (2) The State Treasurer shall hold the Fund separately, and the
7 Comptroller shall account for the Fund.

8 (e) The Fund consists of:

9 (1) Money appropriated in the State budget to the Fund; and

10 (2) Any other money from any other source accepted for the benefit of the
11 Fund.

12 (f) (1) In accordance with this subsection, the Fund shall be used to provide
13 grants to:

14 (i) Nonprofit organizations that:

15 1. Meet the qualifications established in § 10–2004 of this
16 subtitle; and

17 2. Distribute the grant money to farmers markets and local
18 nonprofit organizations in accordance with this subtitle;

19 (ii) Nonprofit farmers markets to implement the Program at the
20 farmers markets; and

21 (iii) Local nonprofit organizations to implement the Program in
22 partnership with one or more local farmers markets.

23 (2) A qualified nonprofit organization that receives a grant under this
24 section:

25 (i) Shall distribute at least **[70%] 60%** of the grant money it receives
26 directly to participating farmers markets as **FUNDING FOR LOCAL MARKET ACCESS**
27 **COORDINATORS AND** matching dollars for purchases made with FMNP, SNAP, and WIC
28 benefits; and

29 (ii) May not use more than **[30%] 40%** of the grant money it receives
30 for Program development, promotion and outreach, farmers market training and capacity

1 building, technical assistance, program data collection, evaluation, administration, and
2 reporting.

3 (g) (1) Subject to paragraph (2) of this subsection, [for fiscal year 2021 and
4 each fiscal year thereafter,] the Governor shall include in the annual budget bill an
5 appropriation [of \$100,000] to the Fund AS FOLLOWS:

6 (I) FOR FISCAL YEARS 2021 THROUGH 2023, \$100,000; AND

7 (II) FOR FISCAL YEAR 2024 AND EACH FISCAL YEAR
8 THEREAFTER, \$300,000.

9 (2) The appropriation required under paragraph (1) of this subsection shall
10 be in addition to, and may not supplant, any funding appropriated to the Marketing and
11 Promotion Division in the Department.

12 10–2004.

13 (a) (1) A nonprofit organization is qualified to receive a grant in accordance
14 with this subtitle if the Department determines that the nonprofit organization has a
15 demonstrated record of:

16 (i) Designing and implementing successful healthy food incentive
17 programs that connect federal food benefits recipients with local producers;

18 (ii) Implementing funds distributing and reporting processes;

19 (iii) Providing training and technical assistance to farmers markets;

20 (iv) Conducting community outreach and data collection, including
21 customer surveys; and

22 (v) Providing a full accounting and administration of funds
23 distributed to farmers markets.

24 (2) In addition to the requirements under paragraph (1) of this subsection,
25 in awarding a grant in accordance with this subtitle, the Department may consider whether
26 the nonprofit organization has a demonstrated record of providing services in [food deserts]
27 **HEALTHY FOOD PRIORITY AREAS.**

28 (b) Within 90 days after the end of a grant cycle, a qualified nonprofit
29 organization that received a grant in accordance with this subtitle shall submit a report to
30 the Department that includes the following information:

31 (1) The names and locations of Maryland farmers markets that received
32 funds under the Program;

1 **(2) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO FOOD**
2 **BANKS AND CHARITABLE EMERGENCY FOOD PROVIDERS FOR:**

3 **(I) THE PROCUREMENT OF SURPLUS, SEASONAL, OR**
4 **CONTRACTUAL AGRICULTURAL FOOD PRODUCTS;**

5 **(II) THE PROCESSING AND PREPARATION OF AGRICULTURAL**
6 **FOOD PRODUCTS FOR DISTRIBUTION; AND**

7 **(III) THE TRANSPORTATION OF AGRICULTURAL FOOD**
8 **PRODUCTS.**

9 **(B) THE DEPARTMENT SHALL ADMINISTER THE FUND.**

10 **(C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
11 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

12 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
13 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

14 **(D) THE FUND CONSISTS OF:**

15 **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**
16 **AND**

17 **(2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
18 **THE BENEFIT OF THE FUND.**

19 **(E) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE FUND**
20 **SHALL BE USED TO PROVIDE GRANTS TO FOOD BANKS AND CHARITABLE**
21 **EMERGENCY FOOD PROVIDERS FOR:**

22 **(I) THE PROCUREMENT OF SURPLUS, SEASONAL, OR**
23 **CONTRACTUAL AGRICULTURAL FOOD PRODUCTS;**

24 **(II) THE PROCESSING AND PREPARATION OF AGRICULTURAL**
25 **FOOD PRODUCTS FOR DISTRIBUTION; AND**

26 **(III) THE TRANSPORTATION OF AGRICULTURAL FOOD**
27 **PRODUCTS.**

1 **(C) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT**
2 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

3 **(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,**
4 **AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

5 **(D) THE FUND CONSISTS OF:**

6 **(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;**
7 **AND**

8 **(2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
9 **THE BENEFIT OF THE FUND.**

10 **(E) (1) THE FUND SHALL BE USED TO AWARD GRANTS TO ELIGIBLE**
11 **SCHOOL DISTRICTS TO IMPLEMENT THE MARYLAND FARM-TO-SCHOOL MEAL**
12 **GRANT PILOT PROGRAM.**

13 **(2) A LOCAL SCHOOL DISTRICT IS ELIGIBLE TO RECEIVE A GRANT**
14 **AWARD FROM THE FUND IF THE LOCAL SCHOOL DISTRICT OPERATES**
15 **REIMBURSABLE FEDERAL NUTRITION PROGRAMS.**

16 **(F) (1) THE DEPARTMENT SHALL AWARD GRANTS FROM THE FUND IN**
17 **ACCORDANCE WITH THIS SECTION TO ELIGIBLE LOCAL SCHOOL DISTRICTS IN AN**
18 **AMOUNT EQUIVALENT TO 20 CENTS FOR EACH MEAL SERVED IN THE LOCAL SCHOOL**
19 **DISTRICT THAT INCLUDES A LOCAL FOOD COMPONENT.**

20 **(2) THE LOCAL SCHOOL DISTRICT MAY DETERMINE THE MEALS,**
21 **PARTICIPATING SCHOOLS, AND TIME FRAME FOR WHICH THE LOCAL SCHOOL**
22 **DISTRICT MAY INCLUDE A LOCAL FOOD COMPONENT.**

23 **(3) IN DETERMINING THE AMOUNT OF A GRANT AWARD, THE**
24 **DEPARTMENT SHALL MULTIPLY THE PREVIOUS FISCAL YEAR'S MEAL COUNT FOR**
25 **THE DETERMINED ELIGIBLE MEALS AND PARTICIPATING SCHOOLS BY THE NUMBER**
26 **OF DAYS IN THE DETERMINED TIME FRAME AND MULTIPLY THIS PRODUCT BY 20**
27 **CENTS.**

28 **(4) A LOCAL SCHOOL DISTRICT MAY USE GRANT MONEY FOR THE**
29 **PURCHASE, PROCESSING, PROCUREMENT, STAFFING, OR INFRASTRUCTURE**
30 **INVESTMENTS NEEDED TO MEET THE NUMBER OF MEALS WITH A LOCAL FOOD**
31 **COMPONENT.**

1 **(G) IN AWARDING GRANTS UNDER THIS SECTION, THE DEPARTMENT SHALL**
2 **PRIORITIZE LOCAL SCHOOL DISTRICTS THAT:**

3 **(1) DEMONSTRATE HOW MEAL REIMBURSEMENTS WOULD SUPPORT**
4 **THE DEVELOPMENT, CULTIVATION, AND LONGSTANDING COMMITMENT TO THE**
5 **INCORPORATION OF LOCAL FOOD COMPONENTS INTO SCHOOL MEALS; AND**

6 **(2) DEMONSTRATE ARRANGEMENTS THAT SUPPORT MINORITY OR**
7 **SOCIALLY DISADVANTAGED PRODUCERS, PROCESSORS, DISTRIBUTORS, OR**
8 **BUSINESSES.**

9 **(H) FOR FISCAL YEARS 2024 AND 2025, THE GOVERNOR SHALL INCLUDE IN**
10 **THE ANNUAL BUDGET BILL AN APPROPRIATION OF AT LEAST \$500,000 TO THE**
11 **FUND.**

12 **(I) (1) ON OR BEFORE JULY 1, 2023, AND JULY 1, 2024, IN ACCORDANCE**
13 **WITH § 2-1257 OF THE STATE GOVERNMENT ARTICLE, THE DEPARTMENT SHALL**
14 **SUBMIT AN INTERIM REPORT TO THE GENERAL ASSEMBLY THAT PROVIDES AN**
15 **EVALUATION OF THE PILOT PROGRAM.**

16 **(2) ON OR BEFORE JULY 1, 2025, THE DEPARTMENT SHALL SUBMIT**
17 **A FINAL REPORT, IN ACCORDANCE WITH § 2-1257 OF THE STATE GOVERNMENT**
18 **ARTICLE, TO THE GENERAL ASSEMBLY ON THE PILOT PROGRAM, INCLUDING A**
19 **RECOMMENDATION ON WHETHER OR NOT THE PILOT PROGRAM SHOULD BE**
20 **CONTINUED.**

21 SECTION 3. AND BE IT FURTHER ENACTED, That it is the intent of the General
22 Assembly:

23 (1) to encourage counties and municipalities to contribute supplemental
24 financial support to nonprofit organizations that are supported by the Maryland Farms and
25 Families Fund established under § 10-2003 of the Agriculture Article to help increase the
26 reach and capacity of the federal Farmers Market Nutrition Program to serve food-insecure
27 individuals and families as well as participating farmers; and

28 (2) that any financial support provided by a county or municipality in
29 accordance with item (1) of this section be used as follows:

30 (i) 80% for distribution to participating farmers markets within the
31 local jurisdiction as matching funds for purchases made with benefits under the Farmers
32 Market Nutrition Program, Supplemental Nutrition Assistance Program, and Special
33 Supplemental Food Program for Women, Infants, and Children and, if available, local
34 market access coordination; and

1 (ii) 20% for retention by the nonprofit organization for program
2 development, promotion and outreach, training, data collection, and administrative costs.

3 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect July
4 1, 2022. Section 2 of this Act shall remain effective for a period of 4 years and, at the end of
5 June 30, 2026, Section 2 of this Act, with no further action required by the General
6 Assembly, shall be abrogated and of no further force and effect.