

STATE OF MAINE

IN THE YEAR OF OUR LORD

TWO THOUSAND TWENTY-THREE

S.P. 392 - L.D. 921

An Act to Allow the Local Foods Fund for Public Schools to Be Used for Processed and Value-added Maine Food Products

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 20-A MRSA §6602, sub-§12, as amended by PL 2021, c. 426, §1, is further amended to read:

12. Local Foods Fund. The Local Foods Fund is established within the department. The fund is authorized to receive revenue from public and private sources. The fund must be held separate and apart from all other money, funds and accounts. Any balance remaining in the fund at the end of the fiscal year must be carried forward to the next fiscal year. The fund must be used to match \$1 for every \$3 a school administrative unit pays for produce, value-added dairy, protein or ~~minimally~~ processed foods purchased directly from a farmer, farmers' cooperative, local food hub, local food processor or food service distributor in the State, to a maximum state contribution of \$5,000 per school administrative unit in fiscal year 2021-22 and subsequent years or \$5,500 per school administrative unit if funding is received and the school administrative unit sends a food service employee to local foods training administered by the department under subsection 13. All foods purchased using the fund must be grown or produced in the State, with the exception of processed and value-added food products produced in the State, which must meet standards set by the department. The department shall create standards for allowable processed and value-added food products produced in the State and provide guidance to school administrative units regarding which of those products are allowable for reimbursement under this subsection and subsection 12-A. At the end of the fiscal year, the school administrative unit may provide the department with receipts documenting purchases pursuant to this subsection during that year. ~~For purposes of this subsection, "minimally processed" means only the washing, cleaning, trimming, peeling, slicing, drying, sorting, refrigerating, freezing and packaging of food items or a combination of those activities.~~ Reimbursement or partial reimbursement to school administrative units may only be made up to the amount available in the fund. Failure to reimburse does not constitute an obligation on behalf of the State to a school administrative unit. The department shall apply for federal grant funding to provide state contributions in excess of \$5,000 per school administrative unit in fiscal year 2021-22 and subsequent years pursuant to this subsection

if applicable grant funding is available. The department may accept grant funding from hospitals and other sources to provide state contributions in excess of \$5,000 per school administrative unit in fiscal year 2021-22 and subsequent years pursuant to this subsection.