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## **An Act To Establish the Maine Food System Investment Program To Create Quality Jobs and Support Farms, Fisheries and Food-related Businesses**

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

**Sec. 1. 7 MRSA c. 10-C** is enacted to read:

### **CHAPTER 10-C**

#### **MAINE FOOD SYSTEM INVESTMENT PROGRAM**

##### **§ 320-A. Maine Food System Investment Program**

**1. Definitions.** As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

A. "Food system" means all processes, infrastructure and persons involved in feeding a population, including growing, harvesting, collecting, processing, packaging, transporting, marketing, selling, consuming and disposing of food and food-related items in the State.

B. "Producer" means a person in the State who produces and provides food directly from the site of the food production, including a person engaged in farming or fishing activities.

C. "Program" means the Maine Food System Investment Program established in subsection 2.

D. "Supply chain" means the chain of distribution by which food products in the State are moved from the producer to the consumer of the food products and may include intermediate entities such as processors, packagers, warehouse operators, distributors, wholesalers and retailers.

E. "Value chain coordination" means an approach to food system development that connects the existing elements within the supply chain and identifies key gaps in the supply chain in existing infrastructure or services and opportunities for effective investment.

**2. Program established; purpose.** The Maine Food System Investment Program is established. The program is administered by the department, either directly or by contract with a suitable organization, with assistance from the Department of Economic and Community Development. The purpose of the program is to strengthen the food system, including the agriculture, seafood and fisheries and other food sectors and the supply chain, to increase access to new markets and opportunities for producers, processors, small businesses and consumers in the State in the producing, processing, packaging, distribution, marketing, sale and consumption of food products.

**3. Outcomes.** The intended outcomes of the program are to:

- A. Increase sustainable economic development and quality employment in the food system, including the agriculture, seafood and fisheries and processing industries and businesses involved in the transportation, storage and warehousing, distribution and wholesale and retail sale of food;
- B. Improve soil fertility, water resources and the resiliency of working waterfronts; and
- C. Increase the availability of healthy foods produced in the State for consumers in the State.

**4. Duties.** The program shall:

A. Develop and implement a strategic framework that outlines goals and strategies in a 10-year time frame to carry out the purposes of subsection 2 and achieve the outcomes in subsection 3, including:

(1) Identifying the highest priority areas for capital investments, technical assistance and value chain coordination in the food system;

(2) Recommending where and how private, state and other public investments may be used most effectively to address food production challenges and barriers to food infrastructure and distribution needs;

(3) Recommending how State Government, universities, agriculture, seafood and fisheries industries, food-related businesses, nonprofit organizations and industry groups may collaborate to minimize duplication in efforts and programs and bridge gaps in technical assistance, services, education, research and development;

(4) Informing agriculture, seafood and fisheries industry and food system lenders and investors of the information collected under this paragraph to facilitate the financing of sectors in the food system;

(5) Recommending initiatives that improve regulation, marketing or transportation or distribution systems that enable direct sales of food products from producers to consumers in the State; and

(6) Recommending investments, resources or policies to augment or improve state programs, nonprofit organization or industry efforts in building or maintaining value chain coordination and relationships and communication among producers, food processors, distributors, sellers, stakeholders, interest groups and other interested parties.

The program shall review and periodically update the strategic framework based upon an ongoing inventory of the agriculture, seafood and fisheries, food processing and food system financial investment and lending sectors; the supply chain; and assets and other components of the food system and food system analyses or related studies;

B. Make periodic recommendations regarding rules or legislation to the department and the Legislature to:

(1) Establish state investment priorities that support the outcomes in subsection 3;

(2) Align state policies, rules and resources with each other to support the outcomes in subsection 3; and

(3) Identify additional initiatives, policies and resources necessary to implement the strategic framework under paragraph A, including staffing, provider contracts, the creation of a fund to accept appropriations, allocations, grants, donations and other funds and implementation of a grant or loan program for producers, food businesses and related industries;

C. Coordinate with postsecondary institutions, including the University of Maine System, and private and nonprofit organizations to align food programs, technical assistance, research and investments to avoid duplication and to support the outcomes in subsection 3;

D. Facilitate information sharing and collaboration among farms, seafood and fisheries entities, food businesses and organizations and investors to build opportunities for food products across the supply chain;

E. Develop a list of food system stakeholders and interest groups, including state agencies and other governmental units, private entities, nonprofit organizations and industry groups, to provide input, consultation and collaboration in carrying out the purposes of this chapter and to convene an annual meeting of the stakeholders and interest groups to review the strategic framework under paragraph A, reinforce collaboration and coordination efforts and discuss issues and make recommendations concerning future development and implementation of the framework;

F. Consult and collaborate with community development corporations and financial institutions in the development of food system investment infrastructure to support the outcomes in subsection 3; and

G. Issue an annual report to the commissioner and the joint standing committee of the Legislature having jurisdiction over agriculture matters summarizing the program's activities, developments in implementation and maintenance of the strategic framework under paragraph A and expenditures for the previous year and any planned focus or activities of the program for the next year or following years.

**5. Powers.** In carrying out the purposes of this chapter, the program may:

A. Hire or assign staff;

B. Seek and accept funds from public and private sources;

C. Use technical assistance, loans, grants or other means or resources approved or provided by the department;

D. Create or designate an advisory board consisting of food system stakeholders, industry groups and other interested parties to assist in carrying out the provisions of this chapter; and

E. Administer funds, grants or programs established with respect to the program by the department or the Legislature.

**6. Rules.** The department may adopt rules to carry out the purposes of this chapter. Rules adopted pursuant to this subsection are routine technical rules as defined by Title 5, chapter 375, subchapter 2-A.

**Sec. 2. Report.** The Maine Food System Investment Program established in the Maine Revised Statutes, Title 7, section 320-A shall:

1. Upon the completion of the strategic framework in Title 7, section 320-A, subsection 4, paragraph A or within 6 months of the effective date of this Act, whichever comes first, submit a report on the progress and activities of the program to the Joint Standing Committee on Agriculture, Conservation and Forestry; and

2. Within one year of the effective date of this Act, submit a report on the progress and activities of the program, including providing a copy of the strategic framework and any measurable outcomes or actions deriving from the program and an accounting of any funds appropriated or expended by the program to the Joint Standing Committee on Agriculture, Conservation and Forestry.

**Sec. 3. Program to seek additional funds.** If upon enactment of this Act at least \$100,000 is not made available for the initial implementation of the Maine Food System Investment Program established in the Maine Revised Statutes, Title 7, section 320-A, the program may seek other funds from federal, state, public, private and other sources to fulfill the provisions of this Act.

**Sec. 4. Appropriations and allocations.** The following appropriations and allocations are made.

**AGRICULTURE, CONSERVATION AND FORESTRY, DEPARTMENT OF**

**Maine Food System Investment Program N306**

Initiative: Provides a one-time appropriation in fiscal year 2019-20 of \$100,000 to implement the Maine Food System Investment Program.

GENERAL FUND	2019-20	2020-21
All Other	\$100,000	\$0

GENERAL FUND TOTAL

\$100,000

\$0

## **SUMMARY**

This bill creates the Maine Food System Investment Program under the Department of Agriculture, Conservation and Forestry to strengthen the food system, including the agriculture, seafood and fisheries and other food sectors and the supply chain, to increase access to new markets and opportunities for producers, processors, small businesses and consumers in the State in the producing, processing, packaging, distribution, marketing, sale and consumption of food products. The duties of the program are to develop and maintain a 10-year strategic framework to carry out the goals of the program by fostering communication, collaboration and coordination among the various sectors of the supply chain, identify gaps in the supply chain and barriers to food infrastructure and distribution needs and work with community development corporations, financial institutions and other investors and lenders in the food system to direct financial investment to the areas of greatest need in the food system. The program is also authorized to make recommendations regarding rules or legislation to the department and the Legislature that will direct investment or establish policies or priorities in carrying out the goals of the program. The program is required to submit a 6-month and a one-year report to the Legislature subsequent to the implementation of the program and an annual report on the progress of and developments regarding the 10-year strategic framework.