A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING A FARM TO FOOD BANK GRANT PROGRAM; REQUIRING THE DEPARTMENT OF AGRICULTURE TO ESTABLISH AND ADMINISTER THE PROGRAM; ESTABLISHING GRANT REQUIREMENTS; ESTABLISHING A GRANT PROCESS; PROVIDING PREFERENCES FOR GRANT AWARDS; ESTABLISHING REPORTING REQUIREMENTS; PROVIDING A GENERAL FUND TRANSFER; PROVIDING AN APPROPRIATION; PROVIDING RULEMAKING AUTHORITY; PROVIDING DEFINITIONS; AND PROVIDING AN EFFECTIVE DATE AND A TERMINATION DATE."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Short title. [Sections 1 through 7] may be cited as the "Farm to Food Bank Grant Act".

NEW SECTION. Section 2. Purpose. (1) The purpose of [sections 1 through 7] is to provide a farm to food bank grant program administered by the department for farm to food bank activities. Farm to food bank programs strengthen local food economies by creating a new market for Montana farmers and ranchers, expanding access to fresh, local products for those who may not otherwise have access to those products, and strengthening producer and consumer relationships in the state. Farm to food bank implementation looks different in each community but in Montana it includes the following elements:

(a) using available funds to support Montana farmers and ranchers;

(b) support for regional food hubs that can leverage producer relationships to purchase, process, store, and distribute products for and to food banks; and

(c) access to fresh, healthy, local products for low-income consumers.

(2) [Sections 1 through 7] create a program to:

(a) support regional food hubs in building producer networks and purchasing, processing, storing, and distributing local food to food pantries;
NEW SECTION. Section 3. Definitions. As used in sections 1 through 7, the following definitions apply:

(1) “Farm to food bank activities” include:
(a) the administration of the farm to food bank program by a nongovernmental organization;
(b) the purchase of Montana-grown fruit, vegetables, meat, legumes, whole grains, eggs, and dairy products by food hubs across the state; and
(c) the distribution of products purchased under this program to Montana-based food pantries.

(2) “Food hub” means any food bank, food and agricultural development center, or other community organization that can illustrate ongoing relationships with Montana-grown food producers in its region and the ability to purchase, store, and distribute local products to food pantries in its area.

(3) “Montana-grown” includes:
(a) items grown or raised in the state;
(b) processed food items containing at least 51% of total ingredients grown, raised, or both, in the state; or
(c) food items processed outside of the state in accordance with existing regulations so long as the food item or at least 51% of its ingredients were grown, raised, or both, in the state.

NEW SECTION. Section 4. Farm to food bank grant program requirements -- rulemaking. (1) (a)
The department shall develop an open and competitive grant program.

(b) Grants must be awarded in accordance with section 5 for farm to food bank activities.

(2) The department may adopt rules necessary to implement a farm to food bank grant program. Rules may include but are not limited to:

(a) standards for farm to food bank activities;
(b) methods for determining an applicant’s progress in implementing farm to food bank activities;
(c) methods for determining compliance with the requirements of section 5; and
other procedures necessary to administer and implement the grant program.

NEW SECTION. Section 5. Farm to food bank grant requirements. (1) Grants awarded in accordance with [sections 1 through 7] must be based on a competitive process open to applicants based on an applicant's:

(a) ability to administer and implement farm to food bank activities;
(b) ability to incorporate positive change in local food purchasing;
(c) history of and ability to promote healthy food activities; and
(d) ability to demonstrate statewide relationships with food hubs.

(2) Preference must be provided to applicants who demonstrate an ability to reach underserved communities, especially those in rural areas and on tribal reservations.

(3) (a) Food purchased using grant funds must be:

(i) Montana-grown in accordance with [section 3]; and
(ii) used for food purchases that are otherwise a part of an applicant's normal food bank nutrition program.

(b) Food purchased for farm to food bank activities may not be used to supplant existing local food purchases by food banks that would otherwise be purchased with existing food bank nutrition funds from other sources.

(c) A grant recipient may spend up to 5% of the grant amount awarded on administration costs, including convening and partnering with food and agricultural development centers, local producers, food pantries, and food hubs.

NEW SECTION. Section 6. Farm to food bank special revenue account. (1) There is an account in the state special revenue fund for the farm to food bank grant program.

(2) The purpose of the account is to provide funding for farm to food bank grants awarded in accordance with [sections 1 through 7].

(3) There must be deposited in the account:

(a) any funds available through and identified by the department for the farm to food bank
program;
(b) any legislative appropriations; and
(c) gifts, grants, or donations made for the purposes of [section 1 through 7].

NEW SECTION. Section 7. Farm to food bank reporting requirements. The department shall design and compile evaluation reports from grant recipients and prepare a report for the natural resources and transportation budget committee established in 5-12-501 in accordance with 5-11-210 that describes:
(1) the total dollar increase in purchases of Montana-grown fruit, vegetables, and other farm products;
(2) products purchased and the total number of businesses from which the products were purchased; and
(3) recommendations for continuing the farm to food bank grant program.

NEW SECTION. Section 8. Transfer of funds. By August 1, 2023, the state treasurer shall transfer $1 million from the general fund to the account established in [section 6].

NEW SECTION. Section 9. Appropriation. There is appropriated $1 million $500,000 from the state general fund [section 6] to the department of agriculture one time only for each year of the biennium beginning July 1, 2023, for the purposes provided for in [sections 1 through 7].

NEW SECTION. Section 10. Notification to tribal governments. The secretary of state shall send a copy of [this act] to each federally recognized tribal government in Montana.

NEW SECTION. Section 11. Codification instruction. [Sections 1 through 7] are intended to be codified as an integral part of Title 80, and the provisions of Title 80 apply to [sections 1 through 7].

NEW SECTION. Section 12. Effective date. [This act] is effective July 1, 2023.