

ASSEMBLY, No. 1492

STATE OF NEW JERSEY

222nd LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2026 SESSION

Sponsored by:

Assemblyman ROY FREIMAN

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Assemblywoman TENNILLE R. MCCOY

District 14 (Mercer and Middlesex)

Assemblywoman MITCHELLE DRULIS

District 16 (Hunterdon, Mercer, Middlesex and Somerset)

Co-Sponsored by:

**Assemblyman Sauickie, Assemblywoman Dunn, Assemblyman Miller,
Assemblywomen Katz, Haider, Morales, Assemblymen Spearman,
Karabinchak, Assemblywomen Peterpaul, Murphy, Assemblyman Bailey,
Assemblywoman Swain, Assemblyman Tully, Assemblywomen Sweeney,
Speight, Quijano, Simmons, Donlon, Assemblyman Singh,
Assemblywoman Carter and Assemblyman Calabrese**

SYNOPSIS

Requires Secretary of Agriculture to establish Farm to School Local Food Procurement Reimbursement Grant Program to reimburse school districts for costs expended in sourcing and procuring local foods for students; appropriates \$4,500,000.

CURRENT VERSION OF TEXT

As reported by the Assembly Agriculture and Natural Resources Committee with technical review.

(Sponsorship Updated As Of: 6/23/2026)

1 AN ACT concerning the procurement of local food products by
2 school districts, supplementing Title 4 of the Revised Statutes,
3 and making an appropriation.
4

5 **BE IT ENACTED** *by the Senate and General Assembly of the State*
6 *of New Jersey:*
7

8 1. As used in this act:

9 “Baseline levels” or “baselines” means the baseline levels
10 identified by a school district pursuant to paragraph (5) of
11 subsection c. of section 2 of this act.

12 “Department” means the Department of Agriculture.

13 “Eligible costs” means the actual, documented costs, which are
14 reimbursable with program grant funds, as provided by subsection f.
15 of section 2 of this act, and which are expended by an eligible
16 school district, by a participating partner school, or by a school food
17 authority operating in the district, in order to implement or
18 undertake the expanded or modified local food procurement
19 policies, practices, standards, processes, systems, or activities
20 described in the district’s proposed local food procurement plan,
21 submitted pursuant to paragraph (5) of subsection c. of section 2 of
22 this act.

23 “Eligible school district” or “eligible district” means a school
24 district in which all participating partner schools provide subsidized
25 school meals to students who are eligible therefor, and which school
26 district timely submits an attestation form, pursuant to subsection c.
27 of section 2 of this act and in accordance with any relevant
28 attestation deadlines established by the secretary for the program
29 year, as necessary to obtain a pro rata share of reimbursement grant
30 funding annually appropriated, deposited into the Farm to School
31 Local Food Procurement Reimbursement Fund, and dedicated for
32 program purposes.

33 “Expanded or modified local food procurement policies,
34 standards, processes, systems, or activities” means those policies,
35 standards, processes, systems, or activities, described in an
36 attestation form submitted pursuant to subsection c. of section 2 of
37 this act, which are being newly implemented or undertaken, in an
38 eligible school district or in partner schools therein, specifically in
39 order to increase, above current levels, the total number or type of
40 local foods being procured for students in the district, the meal
41 periods during which such local foods are served to students in the
42 district, or the total number or type of students in the district who
43 are being provided with access to such local foods, during either the
44 school year or the summer months, or both.

45 “Federal School Breakfast Program” means the same as that term
46 is defined in section 1 of P.L.2022, c.104 (C.18A:33-3.2).

47 “Ineligible costs” means any costs that do not constitute eligible
48 costs for the purposes of the Farm to School Local Food

1 Procurement Reimbursement Grant Program, including, but not
2 limited to, any costs incurred, by a school or school district, in the
3 sourcing or purchasing of fluid dairy milk, or in association with the
4 district's ordinary, unexpanded sourcing and procurement of local
5 food products at or below the baseline levels identified in the
6 attestation form submitted pursuant to subsection c. of section 2 of
7 this act.

8 "Local food" or "local food product" means any raw, whole, or
9 minimally processed fruit, vegetable, herb, meat, seafood, legume,
10 or grain that is 100 percent grown, raised, or caught in the State or
11 in State waters, regardless of the where the distributor of such food
12 is located. "Local food" or "local food product" includes New
13 Jersey canned tomatoes, but does not include fluid dairy milk.

14 "Local Food for Schools Cooperative Agreement Program"
15 means the federal program, established and administered by the
16 Agricultural Management Service in the United States Department
17 of Agriculture, pursuant to which the Agricultural Management
18 Service is authorized to enter into cooperative agreements, with
19 individual states, in order to provide such states with federal
20 financial assistance, as necessary to enable the procurement thereby
21 of local and regional foods from small businesses, from local and
22 regional farmers and food producers, and from socially
23 disadvantaged farmers and food producers, and the distribution
24 thereby of such local and regional foods, to students at partner
25 schools, as part of the State's school meal programs.

26 "Local food procurement partners" means all participating
27 partner schools and school food authorities which: are operating
28 within the boundaries of an eligible school district; are participating
29 in or are benefiting from the implementation of the district's
30 proposed local food procurement plan; and are entitled to receive a
31 district-authorized and apportioned share of program grant funding
32 awarded to the district in any program year, in order to reimburse
33 the eligible costs being expended by such schools and school food
34 authorities in association with their effectuation or undertaking of
35 new, expanded, or modified local food procurement policies,
36 practices, standards, processes, systems, or activities, consistent
37 with the district's proposed local food procurement plan.

38 "Minimally processed" means that a local food product is in its
39 raw or whole state, or has been cut, chopped, sliced, butchered,
40 dried, or frozen, but has not been cooked, heated, canned, or been
41 subject to supplementation with any additives or fillers.

42 "National School Lunch Program" means the same as that term
43 is defined in section 1 of P.L.2022, c.104 (C.18A:33-3.2).

44 "Participating partner school" or "partner school" means a school
45 that is identified, by a school district, in an attestation form
46 submitted pursuant to subsection c. of section 2 of this act, and
47 which has agreed to participate in the expanded or modified local
48 food procurement policies, standards, processes, systems, or

1 activities being implemented or undertaken in the district with the
2 use of grant funds awarded under the Farm to School Local Food
3 Procurement Reimbursement Grant Program.

4 “Program” means the Farm to School Local Food Procurement
5 Reimbursement Grant Program established pursuant to section 2 of
6 this act.

7 “Program year” means each State fiscal year, commencing on
8 July 1 of each calendar year following the date of enactment of this
9 act, for which moneys appropriated, pursuant to sections 4, 6, or 7
10 of this act, and deposited into the Farm to School Local Food
11 Procurement Reimbursement Fund, are available for distribution
12 and use by the department, for dedicated program purposes.

13 “Proposed local food procurement plan” means a plan developed
14 by a school district and submitted to the department, pursuant to
15 paragraph (5) of subsection c. of section 2 of this act, which
16 describes the new, expanded, or modified local food procurement
17 policies, practices, standards, processes, systems, or activities that
18 are proposed to be implemented or undertaken by the district, and
19 by its local food procurement partners, with the assistance of
20 reimbursement grant funding awarded to the district in and for the
21 program year.

22 “School breakfast program” means the same as that term is
23 defined in section 1 of P.L.2022, c.104 (C.18A:33-3.2).

24 “School food authority” or “SFA” means the entity that is
25 responsible for providing, or for contracting with appropriate food
26 service management companies or other third-party food service
27 vendors to provide, school meal services to students at one or more
28 participating partner schools in the State, pursuant to, and for the
29 purposes of, the State’s school meal programs.

30 “School lunch program” means the same as that term is defined
31 in section 1 of P.L.2022, c.104 (C.18A:33-3.2).

32 “Secretary” means the Secretary of Agriculture.

33 “Small or mid-sized family farm” means a farm that is
34 categorized, by the United States Department of Agriculture
35 Economic Research Service, as a small family farm having an
36 annual gross cash farm income of less than \$350,000, or as a mid-
37 sized family farm having an annual gross cash farm income of not
38 less than \$350,000, and not more than \$999,999.

39 “Socially disadvantaged farmer” means a person who is trained
40 to engage in agricultural or horticultural activities and is a member
41 of a socially disadvantaged group.

42 “Socially disadvantaged group” means a population group whose
43 members have been subjected to prejudice or discrimination on the
44 basis of race, color, national origin, age, disability, or, where
45 applicable, sex, marital status, familial status, parental status,
46 religion, sexual orientation, genetic information, political beliefs, or
47 participation in any public assistance program, because of their

1 membership in the group or the shared characteristics of the group,
2 and without regard to their individual qualities.

3 “Subsidized school meals” or “subsidized meals” means school
4 lunch or breakfast, or both, the cost of which is partially or fully
5 subsidized by the State or federal government pursuant to the
6 National School Lunch Program, the federal School Breakfast
7 Program, and the associated provisions of P.L.1974, c.53
8 (C.18A:33-4 et seq.), P.L.2003, c.4 (C.18A:33-9 et seq.); P.L.2019,
9 c.445 (C.18A:33-21.1), and P.L.2022, c.104 (C.18A:33-3.2 et al.).

10 “Subsidized student” means the same as that term is defined in
11 section 1 of P.L.2022, c.104 (C.18A:33-3.2).

12 “Summer Food Service Program” means the federal
13 reimbursement program, established under 42 U.S.C. s.1761 and 7
14 C.F.R. Part 225, pursuant to which the United States Department of
15 Agriculture is authorized to provide grants-in-aid and other
16 assistance to the states, as may be necessary to help schools, local
17 government agencies, nonprofit organizations, colleges and
18 universities, and summer camps finance the administrative and
19 operational costs of providing meals to children, in low-income
20 areas, during the summer months and other planned periods of
21 school closure.

22

23 2. a. The Secretary of Agriculture shall establish and operate a
24 Farm to School Local Food Procurement Reimbursement Grant
25 Program, in accordance with the provisions of this act and within
26 the limits of moneys appropriated therefor pursuant to subsection a.
27 of section 4, and sections 6 and 7, of this act. The purpose and
28 goals of the grant program shall be to provide sufficient and
29 proportional reimbursement financing, to eligible school districts in
30 the State, in order to encourage and enable such districts to initiate,
31 expand, or otherwise modify the local food procurement policies,
32 practices, standards, processes, systems, and activities being
33 employed thereby or undertaken therein, at their own pace, and to
34 whatever extent that such policies, practices standards, processes,
35 systems, and activities are capable of being so initiated, expanded,
36 or modified, as may be necessary to effectuate an increase or
37 expansion in the types or amounts of local foods being procured for
38 students, the meal periods during which local foods are served to
39 students, or the total number or types of students being provided
40 with access to local foods, for the purposes of the National School
41 Lunch Program, the federal School Breakfast Program, the Summer
42 Food Service Program, and any other school meals programs
43 operated during the school year or the summer months, or both.

44 b. The secretary shall be authorized to annually award a
45 program grant, to each eligible school district that submits an
46 attestation form, pursuant to subsection c. of this section, in
47 accordance with the following minimum and maximum annual
48 funding allowances:

1 (1) a small school district, which has less than 5,000 students
2 enrolled at partner schools, shall be eligible to receive an annual
3 program grant of not less than \$10,000 and not more than \$50,000;

4 (2) a medium-sized school district, which has not less than
5 5,000 and not more than 10,000 students enrolled at partner schools,
6 shall be eligible to receive an annual program grant of not less than
7 \$20,000 and not more than \$125,000; and

8 (3) a large school district, which has 10,000 or more students
9 enrolled at partner schools, shall be eligible to receive an annual
10 program grant of not less than \$44,000 and not more than \$250,000.

11 c. A school district that wishes to obtain a reimbursement grant
12 award under the Farm to School Local Food Procurement
13 Reimbursement Grant Program, for use in any program year, shall
14 submit, in a manner and by a deadline prescribed by the secretary, a
15 program participation attestation form that includes, at a minimum:

16 (1) a statement certifying the total number of partner schools in
17 the district which will be participating in, or directly benefitting
18 from, the local food sourcing and procurement activities being
19 undertaken therein with program grant funding;

20 (2) based on the number of students enrolled at all partner
21 schools in the district, as identified pursuant to paragraph (1) of this
22 subsection, a statement certifying the district's status as a small
23 district, a medium-sized district, or a large district, for the purposes
24 of funding determinations being made pursuant to this section, and
25 identifying the total amount of program grant funding being sought
26 by the district, within the appropriate minimum and maximum
27 funding range established, pursuant to subsection b. of this section,
28 for similarly sized districts;

29 (3) a statement certifying, and briefly describing, the purposes
30 for which the awarded program grant funds will be used by the
31 district, and by its local food procurement partners, in the upcoming
32 program year;

33 (4) a statement certifying whether, and to what extent, the
34 district is seeking the department's discretionary authorization,
35 pursuant to paragraph (2) of subsection f. of this section, in order to
36 enable a portion of the district's program grant award to be used for
37 technical assistance expense purposes in the upcoming program
38 year, and specifying the proportion of the total requested program
39 funding award, by percentage and dollar amount, which is being
40 sought for such discretionary purposes;

41 (5) a certified copy of the district's proposed local food
42 procurement plan, as well as a brief summary describing the
43 district's current baseline local food sourcing activities and
44 approximate local food budget, if any, and identifying the extent to
45 which farmers have provided local foods to the district's students
46 during the immediately preceding school year; and

47 (6) any other information or attachments required by the
48 secretary.

1 d. (1) Moneys appropriated, deposited in the Farm to School
2 Local Food Procurement Reimbursement Fund, and dedicated for
3 program use in each program year, in accordance with the
4 provisions of this act, shall be proportionally allocated and
5 awarded, to and among all eligible school districts, on an equitable,
6 pro rata basis. The proportional amount of reimbursement grant
7 funding to be awarded to each eligible school district, in each
8 program year, shall be determined by the department, in accordance
9 with a funding formula developed pursuant to subsection e. of this
10 section, and shall be sufficient to reimburse all, or a portion of, the
11 district's eligible costs at a rate that is proportional to the
12 reimbursement rate applied by the department, in the same program
13 year, to other, similarly sized and situated school districts.

14 (2) Reimbursement grant funding awarded in each program
15 year, pursuant to this act, shall be distributed directly , and on an
16 installment basis in accordance with section 3 of this act, to each
17 eligible school district, and each such recipient school district shall
18 be authorized to use and to further allocate and disburse the
19 distributed funds, as appropriate and necessary to reimburse the
20 eligible costs expended, during the program year, by the district,
21 and by its local food procurement partners, in association with the
22 implementation of the district's proposed local food procurement
23 plan.

24 e. The funding formula developed, for the purposes of
25 subsection d. of this section, shall be designed to:

26 (1) facilitate the apportionment and allocation, to and among all
27 eligible school districts, of equitable, pro rata shares of funding
28 appropriated, deposited in the Farm to School Local Food
29 Procurement Reimbursement Fund, and available for program
30 purposes in each program year, based upon, and taking into
31 consideration: (a) the size of each district, and the number of
32 participating partner schools therein; (b) the number and percentage
33 of students enrolled at partner schools, in each district, who are
34 eligible for subsidized school meals; (c) whether, and the extent to
35 which, each eligible school district, and participating partner
36 schools therein, are located in a food desert area; (d) whether, and
37 the extent to which, awarded program grant funding is expected to
38 be used by each district, and by the district's local food
39 procurement partners, in order to facilitate, encourage, or mandate
40 the sourcing and procurement of local food products produced by
41 small or mid-sized family farms or socially disadvantaged farmers
42 in the State; and (e) whether, and how many times, each eligible
43 school district has previously received, and has fully expended,
44 reimbursement grant funding awarded in prior program years; and

45 (2) provide for proportionally adjusted pro rata shares of
46 available program funding to be allocated, in each program year, to
47 those eligible school districts that: (a) have a high number or
48 percentage of subsidized students enrolled at partner schools and

1 will use awarded grant funds, in full or in part, to increase
2 subsidized students' access to local foods; (b) are located, or have
3 one or more partner schools located, in a food desert area; (c) will
4 use, or will encourage or require their local food procurement
5 partners to use awarded grant funds to facilitate or mandate the
6 increased sourcing and procurement of local foods produced by
7 small or mid-sized family farms or socially disadvantaged farmers
8 in the State; or (d) were recipients of a program grant award in one
9 or more prior program years, the full amount of which has been
10 exhausted, in compliance with all applicable program requirements ,
11 for the reimbursement of eligible costs expended in the relevant
12 program year.

13 f. (1) Except as otherwise provided by paragraph (2) of this
14 subsection, of the program grant funds annually awarded to an
15 eligible school district, pursuant to this section, 100 percent shall be
16 used to reimburse the costs expended by the district, and by the
17 district's local food procurement partners, during the program year,
18 in sourcing and procuring the increased types or amounts of local
19 foods that are needed to implement the new, expanded, or modified
20 local food procurement policies, practices, standards, processes,
21 systems, and activities described in the district's proposed local
22 food procurement plan.

23 (2) Notwithstanding the provisions of paragraph (1) of this
24 subsection to the contrary, the department, acting on a discretionary
25 and individual case basis, may authorize up to 20 percent of the
26 grant funds annually awarded to an eligible school district, pursuant
27 to this section, to be used for reimbursement of the costs that are
28 expended , during the program year, by the district and the district's
29 local food procurement partners, for technical assistance
30 expenditures that are deemed, in department's discretion, to be
31 necessary to facilitate the effective implementation of the new,
32 expanded, or modified local food procurement policies, practices,
33 standards, processes, systems, and activities described in the
34 district's proposed local food procurement plan; provided, however,
35 that the use of program grant funds for such technical assistance
36 expenditures, and the percentage and dollar amount of the total
37 program grant funding award which is to be made available to a
38 district, for such purposes, shall be authorized and determined, in
39 the department's discretion, only in a case where the school district
40 has included, in the attestation form submitted pursuant to
41 subsection c. of this section, for the relevant program year, a
42 statement certifying the need for such technical assistance funding
43 and identifying, by percentage and dollar amount, the proportion of
44 the total grant funding award being requested for discretionary
45 allocation and use for such purposes.

46 g. Grant moneys awarded pursuant to the Farm to School Local
47 Food Procurement Reimbursement Grant Program shall not be used
48 to reimburse any ineligible costs, and shall not be used to reimburse

1 any eligible costs that are already being paid for or reimbursed with
2 other State or federal funds. In any case where another State or
3 federal agency or program is providing funding for eligible costs
4 expended by the district, or by its local food procurement partners,
5 in association with the implementation of the district's proposed
6 local food procurement plan or any of the new, expanded, or
7 modified local food procurement policies, practices, standards,
8 processes, systems, or activities described therein, the total eligible
9 costs that are reimbursable under the Farm to School Local Food
10 Procurement Reimbursement Grant Program shall be reduced by the
11 amount of the other State or federal contributions.

12 h. (1) A school district receiving a program grant award,
13 pursuant to this section, shall be required to prepare and submit , on
14 a monthly, quarterly, or other periodic installment basis throughout
15 the program year, as specified by department rule or regulation, an
16 invoice and accounting statement documenting the eligible costs
17 expended by the district, and by its local food procurement partners,
18 during the relevant accounting period.

19 (2) The periodic invoice and accounting statements required,
20 pursuant to this subsection, shall be submitted in a form and
21 manner, and at a frequency and by the deadlines, prescribed by
22 secretary, and shall include:

23 (a) the name and address of, or other contact information for,
24 each farm or other local food producer that supplied local food
25 products to the school district , or to its local food procurement
26 partners, during the relevant accounting period;

27 (b) appropriate receipts, photos, or other documentation
28 verifying the expenditures invoiced, in the statement, for the
29 relevant accounting period;

30 (c) a brief explanation setting forth the basis upon which such
31 invoiced expenditures should be deemed to constitute eligible costs
32 for the purposes of program reimbursement; and

33 (d) any other relevant information required by the secretary.

34 i. Reimbursement payments authorized pursuant to this section
35 shall be requested by grant award recipients, and issued by the
36 department, using a reliable and efficient automated system that is
37 specifically designed, or is otherwise capable of being used, for
38 program-related expense invoicing and tracking purposes. The
39 commissioner shall be authorized either to develop and implement a
40 new automated system or to modify and utilize an existing
41 automated system, as necessary to facilitate the submission of
42 reimbursement claims and the issuance of reimbursement payments
43 under the program, in accordance with the requirements of this
44 section.

45

46 3. a. Reimbursement grant funds awarded to an eligible school
47 district, under the program, shall not be disbursed to the recipient
48 district in a single, lump-sum payment, but shall be disbursed to the

1 school district on a rolling, term-limited, monthly, quarterly, or
2 other periodic installment basis, as specified by department rule or
3 regulation, over the course of a single program year and using a
4 draw-down process that provides for reimbursement checks to be
5 issued within 120 days after the district submits a periodic invoice
6 and accounting statement for the relevant accounting period, as
7 required by subsection h. of section 2 of this act. Each installment
8 payment authorized and issued, pursuant to this section, shall be
9 sufficient in amount, within the limits of funding annually allocated
10 to the district in its program grant award, to reimburse the eligible
11 costs documented in the district's most recent periodic invoice and
12 accounting statement.

13 b. Reimbursement grant funds disbursed to a school district,
14 pursuant to this section, may be further apportioned, allocated, and
15 distributed, by the recipient district, to and among the district's
16 local food procurement partners, in order to reimburse the eligible
17 costs expended thereby during the relevant accounting period, as
18 documented in the district's most recent invoice and accounting
19 statement.

20 c. Except as otherwise provided by subsection e. of this
21 section:

22 (1) any program grant funds that are awarded to a school
23 district, but which remain unclaimed by the district at the end of the
24 annual disbursement period established pursuant to subsection a. of
25 this section, shall be reclaimed by the secretary, at that time, and
26 redeposited into the Farm to School Local Food Procurement
27 Reimbursement Fund for the fund's dedicated purposes; and

28 (2) any program grant funds that are disbursed, to an eligible
29 school district, through a periodic installment payment authorized
30 in any program year pursuant to subsection a. of this section, but
31 which are not used, allocated, or distributed, by the school district,
32 for the reimbursement of eligible costs identified in its associated
33 invoice and accounting statement, shall, at the end of such program
34 year, be reclaimed by the secretary and redeposited into the Farm to
35 School Local Food Procurement Reimbursement Fund for the
36 fund's dedicated purposes.

37 d. Nothing in this section, or in any other provision of law,
38 rule, or regulation, shall be deemed to prohibit an eligible school
39 district that receives a program grant in one year from applying for
40 another program grant in any subsequent program year.

41 e. (1) Any eligible school district that receives a program grant
42 award shall be prohibited from engaging in the roll-over of the
43 awarded grant funds, from one program year to the next, except as
44 may be otherwise expressly authorized by the department pursuant
45 to paragraph (2) of this subsection.

46 (2) Whenever a school district receives a program grant award
47 and is unable to use all of the awarded grant funds in a single
48 program year, due to a hardship beyond the district's control,

1 including, but not limited to, a natural disaster, or a significant
2 transition or turnover in the financial management or staffing of the
3 food service authorities, providers, or vendors that facilitate local
4 food sourcing or procurement services in the district, the secretary
5 may, upon application by the school district, authorize any
6 remaining grant fund balance to be rolled-over and used by the
7 district, for the same purposes, in the next program year, subject to
8 the same rolling disbursement requirements established by
9 subsection a. of this section. Any school district applying for roll-
10 over funding, pursuant to this subsection, shall submit
11 documentation sufficient to establish, to the secretary's satisfaction,
12 that the district's failure to expend the full amount of the grant
13 award, during the program year in which the awarded grant funds
14 were disbursed pursuant to subsection a. of this section, is the result
15 of a reasonable, valid, and unexpected hardship outside the
16 district's control.

17
18 4. a. The department and Legislature shall take appropriate
19 action, to the greatest extent practicable, to facilitate the
20 uninterrupted, seamless, and continuous operation of the Farm to
21 School Local Food Procurement Reimbursement Grant Program,
22 and the annual appropriation and availability of dedicated funding
23 sufficient for the program's purposes, from one program year to the
24 next. To that end, and following the expenditure of funds initially
25 appropriated for program purposes, pursuant to sections 6 and 7 of
26 this act:

27 (1) the department shall include, in each annual budget request
28 submitted to the Legislature, a request for the appropriation of
29 funds in an amount, not exceeding \$4,500,000, which is deemed by
30 the department to be sufficient to support and continue program
31 operations and facilitate the achievement of program goals and the
32 proportional financing of individual program grant awards, in the
33 next upcoming program year; and

34 (2) the Legislature shall annually appropriate, from the General
35 Fund to the Department of Agriculture, for deposit into the Farm to
36 School Local Food Procurement Reimbursement Fund, for the
37 dedicated purposes set forth in subsection c. of section 5 of this act,
38 a sum of moneys, not in excess of \$4,500,000, which sum is
39 consistent with the sum requested in the department's annual
40 program appropriations request, submitted pursuant to paragraph (1)
41 of this subsection, and is sufficient to enable the department to
42 continue operating the program and financing the issuance of
43 proportional reimbursement grant awards to all eligible school
44 districts thereunder, in the upcoming program year, in accordance
45 with the provisions of this act and the rules and regulations adopted
46 pursuant thereto.

- 1 b. In, and for the purposes of, each annual appropriations
2 request submitted pursuant to paragraph (1) of subsection a. of this
3 section, the department shall identify:
- 4 (1) the total amount of moneys previously appropriated to the
5 department and deposited into the Farm to School Local Food
6 Procurement Reimbursement Fund, for the program's purposes, in
7 each preceding program year and cumulatively, over the program's
8 lifetime;
- 9 (2) the total amount of moneys previously deposited in the fund
10 which remain unexpended and available for appropriation and use
11 in an upcoming program year;
- 12 (3) the estimated number, and the proposed minimum,
13 maximum, mean, and average dollar amounts, of individual
14 program grant awards that are expected to be financed with newly
15 appropriated funds in the upcoming program year;
- 16 (4) the total amount of federal funding received, in the
17 preceding year, and the total amount of federal funding expected to
18 be received, in the upcoming year, pursuant to the Local Food for
19 Schools Cooperative Agreement Program or any other similar
20 federal program or law, for the purposes of facilitating the State's
21 procurement of local or regional foods for use by participating
22 partner schools; and
- 23 (5) any other data or information required by department rule or
24 regulation.
- 25 c. The department shall, to the greatest extent practicable:
- 26 (1) maximize the receipt and use of federal funds that are made
27 available to the State, under the Local Food for Schools
28 Cooperative Agreement Program or other, similar federal programs
29 or laws, for the purposes of procuring local or regional food
30 products under the Farm to School Local Food Procurement
31 Reimbursement Grant Program; and
- 32 (2) fully expend, in each year, and for the purposes of the Farm
33 to School Local Food Procurement Reimbursement Grant Program,
34 all federal funding that has been annually allocated to the State,
35 pursuant to the Local Food Local Food for Schools Cooperative
36 Agreement Program or other, similar federal programs or laws, to
37 facilitate the State-level procurement of local or regional foods for
38 schools, before moving to expend any State-level funding that has
39 been appropriated and allocated, for the grant program's use and
40 purposes, in the same program year.
- 41 d. The department shall annually submit a written program
42 status report to the Governor and, pursuant to section 2 of P.L.1991,
43 c.164 (C.52:14-19.1), to the Legislature, contemporaneously with
44 its submission of an annual program appropriations request
45 pursuant to paragraph (1) of subsection a. of this section. Each such
46 annually submitted program status report shall include, at a
47 minimum, the following information:

1 (1) an update on the program's ongoing implementation status
2 and operations, including, but not limited to, information
3 identifying the total number of program years during which the
4 program has been operating with dedicated funding, and indicating
5 whether, and to what extent, there has been any interruption or
6 disruption in program operations or in program grant award
7 disbursements, or any significant reduction in the amount of
8 funding appropriated for dedicated program purposes, during any
9 prior program year, and the reasons therefor;

10 (2) an update on the development and implementation status,
11 and the ongoing use and effectiveness of, the department's program
12 funding formula, developed pursuant to subsections d. and e. of
13 section 2 of this act, including, but not limited to, information
14 describing whether, how, and to what extent, the funding formula
15 has been designed, or is, has been, or will be applied in practice, to
16 facilitate the funding determinations required by section 2 of this
17 act;

18 (3) information identifying the number and percentage of
19 eligible school districts that received upwardly adjusted pro rata
20 shares of program funding in each program year, as authorized by
21 paragraph (2) of subsection e. of section 2 of this act, and the basis
22 upon which, and the minimum, maximum, mean, and average dollar
23 amounts by which, such pro rata shares were upwardly adjusted;

24 (4) an assessment as to whether, how, and the extent to which,
25 the Farm to School Local Food Procurement Grant Program has
26 been successful, in each preceding program year and cumulatively,
27 over the full term of program operations, in facilitating and
28 incentivizing the implementation and undertaking of new,
29 expanded, or modified local food procurement policies, practices,
30 standards, processes, and activities, by and in eligible school
31 districts in the State, consistent with the goals and purposes of this
32 act;

33 (5) a summary of the methods and approaches that are being
34 used to maximize the federal funding that is made available for the
35 program's purposes, as required by subsection c. of this section; and

36 (6) the secretary's findings and recommendations regarding the
37 necessity and benefits of continuing program operations, and of
38 ensuring the continued appropriation and dedication of funding
39 therefor, in the upcoming program year.

40
41 5. a. There is established in the Department of Agriculture a
42 special, non-lapsing fund to be known as the Farm to School Local
43 Food Procurement Reimbursement Fund. The moneys in the fund
44 are dedicated, and shall only be used for the purposes set forth in
45 subsection b. of this section. The fund shall be credited with:

46 (1) all moneys appropriated for program purposes pursuant to
47 subsection a. of section 4, and pursuant to sections 6 and 7, of this
48 act;

1 (2) all moneys carried forward pursuant to subsection d. of this
2 section;

3 (3) all interest received from the investment of moneys in the
4 fund; and

5 (4) any other moneys which may, from time to time, otherwise
6 become available for the purposes of the fund.

7 b. Moneys deposited in the fund shall be held in interest-
8 bearing accounts in public depositories, as defined pursuant to
9 section 1 of P.L.1970, c.236 (C.17:9-41), and may be invested or
10 reinvested in such securities as are approved by the State Treasurer,
11 pending the disbursement of program grant awards, in each program
12 year, pursuant to this act. Any interest or other income earned on
13 moneys deposited into the fund, through investments or deposits
14 made pursuant to this paragraph, shall be credited to the fund as
15 provided by subsection a. of this section.

16 c. (1) Moneys deposited in the fund shall be used only for the
17 purposes of financing reimbursement grant awards issued to eligible
18 school districts, under the Farm to School Local Food Procurement
19 Grant Program, in accordance with the provisions of this act and the
20 rules and regulations adopted pursuant thereto, except that, of the
21 total amount of moneys annually deposited and available in the
22 fund, for use in any program year, up to 15 percent of such total
23 amount, but not more than \$500,000, may be used to finance the
24 administrative costs, set forth in paragraph (2) of this subsection,
25 which are annually incurred by the department in establishing the
26 program and in commencing and continuing program operations as
27 provided by this act.

28 (2) The administrative costs that are reimbursable with
29 appropriated program funds, as provided by paragraph (1) of this
30 subsection, shall include, but need not be limited to, any
31 administrative costs that are incurred by the department in:

32 (a) hiring and employing at least one full-time staff person and
33 other personnel, as necessary to properly administer and manage the
34 grant program and provide relevant program-related information
35 and assistance to eligible school districts thereunder;

36 (b) providing relevant outreach, information, and training to
37 farmers who are engaged, or who plan to engage, in the sale or
38 donation of local food products to schools and school districts for
39 program purposes;

40 (c) acquiring, maintaining, and repairing relevant technology,
41 equipment, and computer programs, as necessary to establish,
42 implement, and successfully operate the program and facilitate the
43 annual pro rata allocation, awarding, and periodic disbursement of
44 available program grant funding thereunder; and

45 (d) monitoring and evaluating the ongoing implementation and
46 operational status of the program, as well as its outcomes, costs,
47 benefits, and ongoing and future funding needs, and reporting
48 program-related data, assessments, and updates to the Governor and

1 Legislature, and to members of the public, as necessary to
2 implement the provisions and effectuate the purposes of this act.

3 d. Any moneys deposited in the Farm to School Local Food
4 Procurement Reimbursement Fund and remaining unexpended at
5 the end of the program year shall be carried forward and dedicated
6 for the program's use and purposes in future program years, as
7 provided in subsection b. of this section, subject to legislative
8 appropriation.

9
10 6. There is appropriated from the General Fund, to the
11 Department of Agriculture for deposit into the Farm to School
12 Local Food Procurement Reimbursement Fund, the sum of
13 \$4,000,000, which shall be dedicated solely for use, by the
14 department, in financing initial grant awards to eligible school
15 districts, under the Farm to School Local Food Procurement
16 Reimbursement Grant Program, in the first program year
17 commencing on or after the effective date of this section. The sums
18 appropriated to the department, pursuant to this section, for the
19 financing of initial program grant awards, shall be supplemental,
20 and shall be appropriated in addition, to any sums that are otherwise
21 appropriated thereto pursuant to, and on or after the effective date
22 of, section 7 of this act, for the purposes of financing the
23 department's initial program-related administrative expenses.

24
25 7. In addition to the sums required to be appropriated for initial
26 program grant awards pursuant to section 6 of this act, there is
27 appropriated from the General Fund to the Department of
28 Agriculture, the sum of \$500,000, which shall be dedicated solely
29 for the department's use in financing the administrative costs, as set
30 forth in paragraph (2) of subsection c. of section 5 of this act, which
31 are incurred in association with the department's initial
32 establishment of the Farm to School Local Food Reimbursement
33 Grant Program, pursuant to this act, and its commencement of
34 initial program operations thereunder, in and for the first program
35 year.

36
37 8. a. Section 7 of this act shall take effect immediately.

38 b. Sections 1 through 6 of this act shall take effect on the first
39 day of the thirteenth month next following the date of enactment,
40 or on January 1 of the second full calendar year next following the
41 date of enactment, whichever date is later, except that the
42 Department of Agriculture shall take anticipatory administrative
43 action, in advance of such effective date, and using the funds
44 appropriated pursuant to section 7 of this act, as may be necessary
45 to establish the Farm to School Local Food Procurement
46 Reimbursement Grant Program and otherwise implement the
47 provisions, and effectuate the purposes, of this act.