

Date of Hearing: April 15, 2021

ASSEMBLY COMMITTEE ON AGRICULTURE

Robert Rivas, Chair

AB 1009 (Bloom) – As Amended March 30, 2021

SUBJECT: Farm to School Food Hub Program

SUMMARY: This bill would establish the Farm to School Food Hub Program to create farm to school food hubs for serving as an aggregator and supply chain intermediary for local or regional farms food products to public institutions and nonprofit organizations. Specifically, *this bill*:

1) Defines the following:

- a) Beginning, in reference to a farmer or rancher, means a person who has participated in the operation of a farm or ranch for 10 years or less, as specified.
- b) Limited resource has the same definition as in Section 760.107 of Title 7 of the Code of Federal Regulations.
- c) Office means the Office of Farm to Fork in the Department of Food and Agriculture (CDFA).
- d) Program means the Farm to School Food Hub Program.
- e) Small, mid-size or any other size, in reference to a farm or ranch, shall be identified based on annual gross cash farm income, using the farm typology developed by the Economic Research Service of the United States Department of Agriculture.
- f) Socially disadvantage means a person who has been subject to racial, ethnic, or gender prejudice because of the person's identity as a member of a group, including, but not limited to, American Indians or Alaskan Natives, Asians, Blacks or African Americans, Native Hawaiians or other Pacific Islanders, Hispanics, and women, without regard to their individual qualities.
- g) Sustainable agriculture production practices or methods means practices such as organic methods, biological control, and integrated pest management, and ecologically beneficial means of soil improvement, irrigation, cultivation, harvesting, transportation, and marketing for California agriculture based on methods designed to accomplish both of the following:
 - i) The control of pests and diseases of agricultural importance through alternatives that reduce or eliminate the use of pesticides and petrochemicals.
 - ii) The production, processing, and distribution of food and fiber in ways that consider the interactions among soil, plants, water, air, animals, tillage, machinery, labor, energy, and transportation to enhance agricultural efficiency, public health, and resource conservation.

- 2) Establishes The Farm to School Food Hub Program (F2SFHP) for the purpose of investing in the capital aggregation and distribution infrastructure needed to increase purchasing of local, environmentally sustainable, climate adaptation friendly, and equitably produced food by schools and other institutions, build a better food system economy, support the local farming economy, accelerate climate adaptation and resilience, and employ food system workers with fair wages and working conditions.
- 3) Requires CDFA's Office of Farm to Fork (OF2F) to administer F2SFHP, in consultation with The Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.
- 4) Requires CDFA to establish the Farm to School Food Hub Advisory Committee (committee) to advise CDFA on issues related to F2SFHP.
 - a) Requires the committee to advise CDFA on education, outreach, and technical assistance for F2SFHP.
 - b) Requires the committee to have nine members appointed by OF2F, with three members from each of the following regions in the state: Northern, Southern, and Central.
 - c) Requires four or five members and their alternates to be an executive or manager of a food-supply chain business, including a producer, processor, or purchaser, headquartered in California.
 - d) Requires four or five members and their alternates to be an executive or director of a civil society organization, or a representative of an academic institution, with expertise in advancing food system improvements supportive of local food systems, equitable access to healthy food, fair labor in the food system, or climate-adaptive and climate-resilient food systems.
 - e) Allows the committee to appoint officers and form subcommittees, as specified.
 - f) Allows alternates to serve as a member of the committee or subcommittee if a member is absent, as specified.
 - g) Provides that committee members and alternates to be reimbursed for reasonable expenses in the performance of their duties as determined by the committee and approved by CDFA.
 - h) Allows the Secretary of CDFA or their representative, the State Public Health Officer or their representative and a county agricultural commissioner to serve as ex-officio member of the committee.
- 5) Requires F2SFHP to incentivize the creation and permanency of public-serving aggregation and distribution enterprises, known as farm to school food hubs, which may be founded by charter as a nonprofit organization or a Certified B Corporation. A farm to school food hub shall do both of the following:

- a) Serve as an aggregator and supply chain intermediary for local or regional farms or ranches, particularly those optimizing sustainable agriculture production practices or methods and following fair labor practices. The farm to school food hub shall prioritize, but is not limited to, serving farms or ranches that are small to mid-size, cooperatively owned, or owned by farmers or ranchers who are socially disadvantaged, beginning, limited resource, veterans, minorities, or disabled.
 - b) Prioritize, to the greatest extent feasible, distributing food products from the farms or ranches described above to public institutions and nonprofit organizations, with primary emphasis on public schools and food banks in the region, as specified.
- 6) Requires phase one of F2SFHP to be administered as follows:
- a) Requires OF2F, by June 30, 2022, to request proposals for planning grants to create farm to school food hubs that meet the requirements.
 - i) Requires proposals shall include a five-year business plan, and be submitted to OF2F by September 30, 2022.
 - b) Requires OF2F to award planning grants of one hundred fifty thousand dollars (\$150,000) each to three proposals based in northern California, three proposals based in central California, and three proposals based in southern California.
 - i) Requires planning grants to be distributed by December 15, 2022.
 - c) Requires one million eight hundred fifty thousand dollars (\$1,850,000) be available for phase one to be allocated as follows:
 - i) One million three hundred fifty thousand dollars (\$1,350,000) planning grant disbursement.
 - ii) Two hundred and fifty thousand dollars (\$250,000) for grant administration and committee management.
 - iii) Two hundred fifty thousand dollars (\$250,000) for technical support.
- 7) Requires phase two of F2SFHP to be administered as follows:
- a) Requires OF2F, by December 31, 2023, to select proposals submitted and distribute development grants of one million dollars (\$1,000,000) to five million dollars (\$5,000,000) each for capital and operating expenses for use over a five-year period. Grants must go to at least one farm to school food hub in northern California, at least one farm to school food hub in central California, and at least one farm to school food hub in southern California.
 - b) Requires a Farm to School Hub selected as a grant recipient to report to OF2F and the committee every quarter for two years after the receipt of the funds regarding the use of the funds.

- c) Requires OF2F, for at least 5 years, to provide the legislature with a report on status on Farm to School Food Hubs.
 - i) Requires the report to include the following information:
 - (1) Financial viability.
 - (2) The number and type, with respect to size and ownership, of farms from which food products were sourced, and the volumes of food products sourced from each farm.
 - (3) The number and type of institutions served by farm to school food hubs, and the volumes of food products provided to each institution.
 - (4) A farm to school food hub selected pursuant to paragraph (1) may request federal or local matching funds, including, but not limited to, economic development and workforce investment funds.
- 8) States implementation of F2SFHP is upon appropriation from the legislature.

EXISTING LAW: Establishes OF2F within CDFA and requires OF2F, to the extent that resources are available, to work with various entities, including, among others, the agricultural industry and other organizations involved in promoting food access, to increase the amount of agricultural products available to underserved communities and schools in the state.

FISCAL EFFECT: Unknown.

COMMENTS: The United States Department of Agriculture's (USDA) working definition of a food hub is "*a centrally located facility with a business management structure facilitating the aggregation, storage, processing, distribution, and/or marketing of locally/regionally produced food products.*" By actively coordinating these activities along the value chain, food hubs are providing wider access to institutional and retail markets for small to mid-sized producers, and increasing access of fresh healthy food for consumers, including underserved areas and food deserts. Demand for locally grown food is continuously gaining traction, including among larger institutional buyers. This trend is creating sales opportunities for smaller-scale farms that would otherwise focus on direct market channels such as farmers markets and sales to restaurants.

According to the author, The COVID-19 pandemic has dramatically revealed shortcomings in the U.S. food system, stripping the façade of a seemingly robust supply chain and revealing a system ill-equipped to handle disruption to the complex network of supply and demand. Food system reform increasingly calls for more regionalized food systems, which in turn provides greater resilience in times of natural or public health disaster. During the pandemic, those areas that had community facing food hubs were able to pivot quickly toward redirecting their supply chains to areas of need, such as the non-profit The Common Market, which provided support for local farmers and emergency food relief in Philadelphia, New York, Georgia, and Texas. While California leads the nation in agricultural production, it lags behind in the development of regionalized food systems, which require capital investment in aggregation, and distribution infrastructure, such as food hubs, needed to increase purchasing of local, climate friendly, and

equitably produced food. This is particularly important intermediary supply chain support for by schools (the largest food service provider in any region) and other large-scale institutions.

Supporters state that AB 1009 can improve California's food system by creating a framework to develop new farm to school food hubs. These farm to school hubs will give priority to farms or ranches that are small to mid-scale, cooperatively owned, or owned by farmers or ranchers who are socially disadvantaged, beginning, limited resource, veterans, minorities, or disabled. AB 1009 will create increased opportunities for these and other underserved growers and ranchers to become part of truly sustainable and equitable agriculture throughout the state.

This bill refers to fair labor practices or fair labor several times, but does not define the phrase. In order to avoid ambiguity the author may wish to develop a definition for fair labor, if this bill moves forward.

REGISTERED SUPPORT / OPPOSITION:

Support

50 Acterra Action for A Healthy Planet	Los Angeles County Office of Education
Acta Non Verba: Youth Urban Farm Project	Los Angeles Food Policy Council
Alliance of Nurses for Healthy Environments	Los Angeles Regional Food Bank
Asian Business Institute and Resource Center (ABIRC)	Multinational Exchange for Sustainable Agriculture (MESA)
California Association of Wheat Growers	Napa Farmers Market
California Certified Organic Farmers	Natural Resources Defense Council
Californians for Pesticide Reform	North American Climate, Conservation and Environment (NACCE)
Cattani Farms	North Coast Growers Association
Center for Ecoliteracy	Peaceful Valley Farmers Market
Center for Food Safety; the	Pesticide Action Network
Center for Land-based Learning	Pie Ranch
Center for Urban Education About Sustainable Agriculture	Resource Conservation District of Greater San Diego County
Ceres Community Project	Riverside Food Cooperative, INC.
Community Alliance with Family Farmers	Riverside Unified School District
Cultiva LA Salud	Roots of Change
Dean's Greens	San Luis Coastal Unified School District
Duende Consulting, LLC	School Garden Network
Everyone's Harvest	Sebastopol Farmers Market
Farm to Fight Hunger	Sierra Harvest
Farm2people	Sierra Orchards
Friends of Public Banking Santa Rosa	Slow Food California
Friends of The Earth U.S.	Slow Food Sonoma County North
Good Eggs	Slow Food South Bay
Greenbelt Alliance	Slow Money SLO
Humboldt County Visitors Bureau	So Cal Farm Network
I Love to Glean - South County Food Hub	Solutions for Urban Agriculture
Institute for The Study of Societal Issues, UC Berkeley	Sonoma Wine Shop & LA Bodega
	Sustainable Agriculture Education

Sustainable Conservation
Sustainable Economic Enterprises Los
Angeles
Tahoe Food Hub
The Bullock Garden Project INC

Urban Tilth
West Contra Costa Unified School District

63 California Farmers

Opposition

None on file.

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