

Department of Legislative Services
Maryland General Assembly
2019 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 305 (Delegate Charkoudian, *et al.*)
Health and Government Operations

State Procurement - Maryland Food for Maryland Institutions Task Force

This bill establishes the Maryland Food for Maryland Institutions Task Force to identify strategies for increasing the procurement of locally grown food (defined as food grown in Maryland) under State contracts. The Department of General Services (DGS) provides staff for the task force. Members of the task force may not receive compensation but are entitled to reimbursement for expenses. The task force must report its findings and recommendations to the Governor and designated committees of the General Assembly by January 1, 2020. **The bill takes effect June 1, 2019, and terminates May 31, 2020.**

Fiscal Summary

State Effect: None. DGS can staff the commission with existing resources, and any expense reimbursements are assumed to be minimal and payable with existing budgeted resources. No effect on revenues.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law/Background: State procurement law and regulations require State schools and facilities to establish a percentage price preference of no more than 5% for the purchase of locally grown food. The price preference cannot be used in conjunction with any other percentage price preference. This requirement does not apply to any instance in which application of the price preference would cause denial of federal money or be inconsistent with the requirements of federal law.

The University System of Maryland, Morgan State University, and St. Mary's College of Maryland are all exempt from most provisions of State procurement law, including the required price preference for locally grown food.

The 2008 federal farm bill directed the U.S. Secretary of Agriculture to encourage institutions operating Child Nutrition Programs (including the National School Lunch Program) to purchase unprocessed locally grown and locally raised agricultural products. Since October 2008, institutions receiving federal Child Nutrition Program funds may apply an optional geographic preference in the procurement of unprocessed locally grown or locally raised agricultural products.

Additional Information

Prior Introductions: None.

Cross File: SB 608 (Senator Hester, *et al.*) - Education, Health, and Environmental Affairs.

Information Source(s): Maryland Higher Education Commission; University System of Maryland; Department of General Services; Maryland Department of Health; Board of Public Works; Maryland Food Center Authority; Department of Legislative Services

Fiscal Note History: First Reader - February 8, 2019
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