



130th MAINE LEGISLATURE

LD 636

LR 1079(03)

An Act To Encourage the Purchase of Local Foods for Public Schools

**Fiscal Note for Bill as Engrossed with:
C "A" (S-106)
Committee: Education and Cultural Affairs**

Fiscal Note

Diverts fiscal year 2020-21 unexpended balance from General Fund unappropriated surplus
Increase in maximum state contribution - Local Produce Fund

	FY 2020-21	FY 2021-22	FY 2022-23	Projections FY 2023-24	Projections FY 2024-25
Net Cost (Savings)					
General Fund	\$0	\$0	\$0	\$0	\$0
Appropriations/Allocations					
General Fund	\$0	\$0	\$0	\$0	\$0

Fiscal Detail and Notes

This bill transfers the General Fund appropriations enacted as part of Public Law 2021, chapter 29, that support the use of local foods in schools from the School Finance and Operations program account to a newly created, non-lapsing Local Foods General Fund program account within the Department of Education. Because this bill is emergency legislation and transfers funds from an account that lapses unspent balances to the unappropriated surplus of the General Fund at the end of each year to a program account that is nonlapsing, the \$300,813 anticipated to lapse at the end of fiscal year 2020-21 will now carry forward into fiscal year 2021-22. Absent this legislation, that unspent balance would have lapsed to the General Fund and become available to the fixed and percentage transfers of unbudgeted General Fund surplus commonly referred to as the "Cascade".

This bill also renames the Local Produce Fund the Local Foods Fund and increases the maximum contribution that a school administrative unit (SAU) may receive from the State for the purchase of produce or minimally processed foods from \$1,500 per year to \$5,000 per year and from \$2,000 per year to \$5,500 per year if the SAU sends a food service employee to local foods training. Public Law 2021, chapter 29, includes \$322,500 in General Fund appropriations in both fiscal year 2021-22 and fiscal year 2022-23 to support the use of local foods in schools. Under current law, this funding is sufficient to support between 160 and 215 grants per year depending on the number of grants awarded and the amount of each grant. If this legislation is enacted, the current funding will support between 58 and 64 grants at either \$5,000 or \$5,500 per grant, assuming the maximum amount is awarded.