

Assembly Bill No. 1009

CHAPTER 608

An act to add and repeal Article 10 (commencing with Section 590) to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, relating to agriculture.

[Approved by Governor October 7, 2021. Filed with Secretary of State October 7, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1009, Bloom. Farm to Community Food Hub Program.

Existing law creates the Office of Farm to Fork within the Department of Food and Agriculture, which is under the control of the Secretary of Food and Agriculture, and requires the office, 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.

This bill would establish the Farm to Community Food Hub Program, which would be administered by the office. The bill would authorize the department to consult with outside entities who possess expertise in specified areas, including, but not limited to, the Sustainable Agriculture and Research Education Program. The bill would require the secretary to establish an advisory committee, composed as specified, for the purpose of advising the secretary with respect to their responsibilities regarding the program.

The bill would require that the program incentivize the creation and permanency of public-serving aggregation and distribution enterprises, known as farm to community food hubs, which may be operated by nonprofit organizations, school districts, county offices of education, cooperatives, food and agriculture-related businesses, or Certified B Corporations. The bill would require a farm to community food hub to 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 state labor practices, to prioritize, to the greatest extent feasible, distributing food products from those farms or ranches to public institutions and nonprofit organizations, and to ensure that farms and ranches with which it works comply with all laws, rules, and regulations.

The bill would require, for the first phase of the program, the office to solicit and select proposals throughout the state to create farm to community food hubs and award planning grants to selected proposals. The bill would require, for the second phase of the program, the office to select at least 3 of the proposals that were awarded planning grants during the first phase and award to those proposals development grants for capital and operating

expenses of the farm to community food hub for a 5-year period. The bill would require, for at least 5 years following the initial award of that development grant funding, the office to provide an annual report on the status of the farm to community food hubs to the Legislature, as specified. The bill would make the implementation of the program contingent upon an appropriation by the Legislature for its purposes, including the department's administrative costs.

The bill would repeal these provisions on January 1, 2028.

The people of the State of California do enact as follows:

SECTION 1. Article 10 (commencing with Section 590) is added to Chapter 3 of Part 1 of Division 1 of the Food and Agricultural Code, to read:

Article 10. Farm to Community Food Hub Program

590. For the purposes of this article, the following definitions apply:

(a) "Beginning," in reference to a farmer or rancher, means a person who has materially and substantially participated in the operation of a farm or ranch for 10 years or less.

(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.

(d) "Program" means the Farm to Community Food Hub Program.

(e) "Socially disadvantaged" has the same definition as in Section 512.

(f) "Sustainable agriculture production practices or methods" means practices, including, but not limited to, 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, as identified by the department.

591. (a) The Farm to Community Food Hub Program is hereby established for the purpose of piloting investments in the capital aggregation and distribution infrastructure needed to increase purchasing of local, environmentally sustainable, climate-smart, 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.

(b) The program shall be administered by the Office of Farm to Fork in the department. The department may consult with outside entities who possess expertise in the operation of food hubs and the areas described in subdivision (a), including, but not limited to, the Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.

(c) (1) The secretary shall establish an advisory committee, which shall be known as the Farm to Community Food Hub Advisory Committee, for the purpose of advising the secretary in their responsibilities regarding the program.

(2) The advisory committee shall advise the secretary on education, outreach, and technical assistance for the program.

(3) (A) The advisory committee shall be composed of 10 members appointed by the office, with three members from northern California, three members from central California, three members from southern California, and one member who is a farmer or rancher, as described in subparagraph (E), who may be selected from any one of the three regions. Each member may have an alternate.

(B) Four members and their alternates shall be an executive or manager of a food supply chain business, including a producer, processor, or purchaser, headquartered in California.

(C) Four members and their alternates shall be an executive or director of a civil society organization, or a representative of an academic institution, including K-12 schools, with expertise in advancing food system improvements supportive of local food systems, equitable access to healthy food, labor in the food system, or climate-adaptive and climate-resilient food systems.

(D) One member and their alternate shall be a representative of the Sustainable Agriculture and Research Education Program, housed within the University of California Agriculture and Natural Resources.

(E) One member and their alternate shall be a farmer or rancher who qualifies as one or more of the following:

- (i) Socially disadvantaged.
- (ii) Beginning.
- (iii) Limited resource.
- (iv) A veteran.
- (v) Disabled.
- (vi) Operates a farm or ranch that is 500 acres or less.

(4) The advisory committee may appoint officers and form subcommittees, with chairpersons appointed by the advisory committee, as needed, in order to carry out and fulfill its duties under this subdivision. The advisory committee shall determine the powers and duties of appointed officers and subcommittee chairpersons.

(5) An alternate member shall serve at an advisory committee meeting only in the absence of, and shall have the same powers and duties as, a member in the same category as the alternate member, as described in paragraph (3), except for the powers and duties as an officer of the advisory committee. The number of alternate members present who are not serving in the capacity of a member shall not be considered in determining a quorum.

(6) An alternate member may serve at an advisory committee subcommittee meeting only in the absence of, and shall have the same powers and duties as, a member in the same category as the alternate

member, as described in paragraph (3), except for the powers and duties as a subcommittee chairperson.

(7) Members and their alternates shall be reimbursed for the reasonable expenses actually incurred in the performance of their duties, as determined by the advisory committee and approved by the secretary.

(8) The secretary or their representative, the State Public Health Officer or their representative, and a county agricultural commissioner may serve as ex officio members of the advisory committee, in addition to the 10 members appointed pursuant to paragraph (3).

592. (a) The program shall incentivize the creation and permanency of public-serving aggregation and distribution enterprises, known as farm to community food hubs, which may be operated by a nonprofit organization, school district, county office of education, cooperative, food and agriculture-related business, or Certified B Corporation. A farm to community food hub shall do all of the following:

(1) 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 state labor practices. The farm to community food hub shall prioritize, to the greatest extent possible, but is not limited to, serving farms or ranches that are 500 acres or less, cooperatively owned, or owned by farmers or ranchers who are socially disadvantaged, beginning, limited resource, veterans, or disabled.

(2) Prioritize, to the greatest extent feasible, distributing food products from the farms or ranches described in paragraph (1) to public institutions and nonprofit organizations, with primary emphasis on public schools and food banks in the region. Distribution of the food products may be contracted to a value-added intermediary, such as a produce, grain, meat, or seafood processor, provided that the food products are ultimately provided on a prioritized basis to public institutions or nonprofit organizations.

(3) Ensure that the farms and ranches with which it works comply with all laws, rules, and regulations, including labor and environmental requirements and standards.

(b) The program shall be administered in two phases, as follows:

(1) During the first phase of the program, the office shall solicit and select proposals throughout the state to create farm to community food hubs that meet the requirements in subdivision (a), and award planning grants to selected proposals.

(2) During the second phase of the program, the office shall select at least three of the proposals awarded planning grants pursuant to paragraph (1) and award to those proposals development grants for capital and operating expenses of each farm to community food hub for a five-year period.

(c) As a condition of the receipt of funds pursuant to paragraph (2) of subdivision (b), a farm to community food hub shall report to the office and advisory committee every quarter for five years after the receipt of the funds regarding the use of the funds.

(d) Notwithstanding Section 10231.5 of the Government Code, for at least five years following the initial award of development grant funding

pursuant to paragraph (2) of subdivision (b), the office shall provide an annual report on the status of the farm to community food hubs to the Legislature, in accordance with Section 9795 of the Government Code. The report shall include information on the progress of the farm to community food hubs in all of the following areas:

- (1) Financial viability of self-sustainability.
- (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 community food hubs, and the volumes of food products provided to each institution.
- (e) The program or a farm to community food hub awarded a development grant pursuant to paragraph (2) of subdivision (b) may accept federal, state, industry, philanthropic, and private sources of funding.

593. The implementation of this article is contingent upon an appropriation of funds by the Legislature for its purposes, including the department's administrative costs.

594. This article shall remain in effect only until January 1, 2028, and as of that date is repealed, unless a later enacted statute that is enacted before January 1, 2028, deletes or extends that date.