Local Food Procurement and Processing Act

THE ASK: A \$3.85 million state investment through an Iowa Department of Agriculture and Land Stewardship appropriation to leverage existing federal funds that will continue the measurable success and collaborative work underway by statewide partners to provide local food to schools and community food access partners. Investing in our local producers and local economies cycles money that would otherwise end up leaving our state into the hands of individuals and families living in small towns and spending their money on Iowa businesses.

Since the federal investment in the Local Food Purchasing Assistance (LFPA) and the Local Food for Schools (LFS) Cooperative Agreement Programs in 2022, Iowa Department of Agriculture and Land Stewardship has successfully implemented the LFPA and LFS alongside a **strong coalition of partners. Iowa has become a nationwide leader in program execution**, effectively coordinating the movement of food grown on small-to-mid-sized Iowa farms to schools and local food access organizations.

This investment has resulted in and, with the investment of the State of Iowa, will continue to result in:

- Leveling the playing field for lowa farmers and small food distributors by giving them market access into schools and emergency food distribution channels
- Increased availability of fresh produce and local protein for food banks/pantries and Meskwaki Nation, the equivalent of 310,000 entirely local meals for lowans
- Increased Iowa-grown foods on Iowa school lunch trays

The Local Food Procurement and Processing Act will:

- Define "Local Food" as produce, grains, meat, eggs, and dairy grown and/or raised or value-added products produced with at least 51% of the ingredients grown and/or raised in Iowa and adjacent counties.
- Allocate \$2.1 million annual allocation to the Farm-to-School Fund (IA Code, 190A.5) to allow for each school district in the state to be reimbursed for \$5,000 of local food and continue the work of the 2020-2021 Iowa Local Produce and Protein Program (LPPP) and the 2022-2024 USDA LFS program which is set to expire in March 2025.
- Create and allocate \$1 million to a "Local Food Access Fund" within the Local Food and Farm Program (IA Code, 267A) to support Iowa farmers' ability to reduce escalating food insecurity in the state and supplement the USDA LFPA program which expires in March 2025, allowing the program to continue beyond the expiration of the USDA program.
- Allocate \$750,000 to Fruit and Vegetable Processing Grants with a 1:1 match through the Iowa Economic Development Authority (to be managed with the same rules as the Butchery Innovation Grants) for schools, colleges and universities, food hubs, food businesses, and non-profit community food organizations to invest in processing/preserving Iowa grown products to be used year-round and serve institutional markets.
- Prioritize purchases from socially-disadvantaged producers.

- Provide a market for Iowa farmers producing increasing amounts of healthy food, while also providing healthy food access for the record numbers of Iowans seeking food support and nutrition assistance.
- Spur economic development and entrepreneurial efforts towards a functional local food system with improved technology, efficiency, and community-building in Iowa's urban and rural communities.

"I want to thank Gov. Reynolds and the lowa Legislature for continuing to invest in the local foods program. It is a win for our school nutrition programs and our local farmers. There's no better way to get more nutritious, lowa-grown produce and protein into the hands of our students."

- Iowa Secretary of Agriculture Mike Naig, June 9, 2021

Building on What Works

We have seen increasing state and federal investment in Iowa's food system from 2020-2023. <u>2011 - Local Food and Farm Program Established</u>

2020 - LPPP - Local Produce and Protein Program - \$500,000 for farm-to-school

2021 - SCBG - Specialty Crop Block Grants for Hub to Hub Network - \$150,000 from IDALS

2021 - Senate File 578 established the Farm to School fund

2021-2023 - Choose Iowa budget grows from \$253,000 to \$963,000

2021-2023 - Butchery and Dairy Innovation Program grows from \$750,000 to \$1.75 million

2022 - USDA LFPA - Local Food Purchasing Assistance Program - \$5.6M over 3 years

2022 - USDA LFS - Local Food for Schools - \$2M over 2 years

2022 - USDA RFSP - Regional Food Systems Partnership - \$1.18M over 3 years

2023 - USDA RFSI - Resilient Food Systems Infrastructure - \$5.2M grant program over 4 years

Many lowans working together...

- 318 Producers Registered
- 16 Distributors (10 Food Hubs, 6 food banks and Meskwaki Nation)
- 690 community food access partners
- 136 School Districts
- Meskwaki Nation
- Value Chain Coordinators across partner organizations

THIS team has a proven track record in success...

- In <u>Year 1</u> (October 1, 2022 June 30, 2023), the Iowa LFS purchased \$644,931 of local food from 110 local producers and delivered it to 135 schools in 69 lowa counties. For every dollar spent on LFS, the return on investment is \$1.94, showing that the program nearly doubles the investment in rural communities when our food dollars stay in Iowa.
- The Impact Report for LFPA shows \$2,000,000 of local food has been purchased from 234 producers and distributed to food access partners in 93 lowa counties. The full report will be released January 2023, with clear proof of impact and recommendations to continue proven successes from Phase 2
- Federal LFPA and LFS programs have demonstrated measurable impact

• Food hubs provide expertise in procurement, storage, and distribution of source-identified local food products for both LFS and LFPA

State investment in these programs is vital to continue successes of increased farmer access to markets and lowan's access to local products. In the absence of farm-to-school funding between the LPPP and the LFS program, the schools purchasing local food from food hubs **dropped 54%**. Without these guaranteed markets, lowa's local food producers and programs (Choose Iowa, Butchery Innovation, Dairy Revitalization) will not reach their full potential.