

Fiscal Estimate Narratives

DPI 2/18/2010

LRB Number	09-4260/1	Introduction Number	SB-536	Estimate Type	Original
Description Promoting the use of locally grown food in school meals and snacks and granting rule-making authority					

Assumptions Used in Arriving at Fiscal Estimate

The bill seeks to connect schools with nearby farms to provide children with locally produced fresh foods in school meals and snacks, help children develop healthy eating habits, provide nutritional and agricultural education, and improve farmers' incomes. The bill also creates a program for the Department of Agriculture, Trade and Consumer Protection (DATCP) to provide grants to school districts, nonprofit organizations, and others for the creation and expansion of farm to school programs. The bill also establishes a farm to school council to advise DATCP and to report to the legislature about the needs and opportunities for farm to school programs.

State fiscal effect:

Buying food locally by school districts is already encouraged by the U.S. Department of Agriculture and the Department of Public Instruction (DPI). DPI already provides a database of local growers and has a website dedicated to "Wisconsin Growers." Therefore, it is assumed that any costs associated with this bill will be absorbed by the department.

DPI is also required to appoint an employee to the farm to school council created under the bill. The cost of appointing a DPI employee will be absorbed by the department.

Local fiscal effect:

Although no funds are currently appropriated under the bill, it is assumed that eventually funds will be made available and awarded to school districts, nonprofit organizations, farmers, and other entities for the creation and expansion of farm to school programs. The amount of funds that may be made available to school districts is unknown.

There are many benefits to the locally produced procurement method, as food service staff can: request specific products in the form they need them; work out details and issues without a middle man; become familiar with what the farmer grows, and even request that farmers plant specific items for them. In addition, in some instances it may be cheaper to purchase food products locally, however any cost savings are indeterminate.

The disadvantages of this procurement method come from food service staff buying from a number of farmers. Buying from individual farmers entails increased administration and paperwork. There could be a transition from making one phone call to order product, to multiple calls, multiple invoices, and coordinating multiple deliveries. In addition, a broker is generally able to provide a greater variety of produce than farmers, who are selling only what is in season and what they grow. Any additional administrative costs to districts are indeterminate.

Long-Range Fiscal Implications