

**THE STATE SCHOOL AID ACT OF 1979 (EXCERPT)**  
**Act 94 of 1979**

**388.1631j Districts and other non-school sponsors; purchase of Michigan-grown fruits, vegetables, and legumes; competitive grant program; use of funds; matching reimbursement; report.**

Sec. 31j.

(1) From the general fund money appropriated in section 11, there is allocated for 2024-2025 an amount not to exceed \$500,000.00 and from the state school aid fund money appropriated in section 11, there is allocated an amount not to exceed \$4,000,000.00 for 2024-2025 for a program to support districts and other non-school sponsors in the purchase of locally grown fruits, vegetables, and legumes as described in this section.

(2) Funding under this section retained by the department for administration must not exceed 5%. Funding under this section retained by project partners for data collection, outreach, and training must not exceed 2% for each partner.

(3) The department shall develop and implement a competitive grant program for districts and other non-school sponsors to assist in paying for the costs incurred by the district or other non-school sponsor to purchase or increase purchases of whole or minimally processed fruits, vegetables, and legumes grown in this state. The maximum amount that may be drawn down on a grant to a district or other non-school sponsor is based on the number of meals served by the district during the previous school year under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j, or meals served by the other non-school sponsor in the previous school year. The department shall collaborate with the Michigan department of agriculture and rural development to provide training to newly participating schools and other non-school sponsors and electronic information on Michigan agriculture.

(4) The goals of the program under this section include improving daily nutrition and eating habits for children through the school and child care settings while investing in Michigan's agricultural and related food business economy.

(5) A district or other non-school sponsor that receives a grant under this section shall use those funds for the costs incurred by the district or the sponsor to do both of the following:

(a) Purchase whole or minimally processed fruits, vegetables, and legumes that meet both of the following:

(i) For each fiscal year, were purchased for use in meals and supportive activities as part of the United States Department of Agriculture child nutrition programs provided between October 1 through September 30 of that fiscal year.

(ii) Are grown in this state and, if minimally processed, are also processed in this state.

(b) Pay for labor and food transportation of locally grown fruits, vegetables, and legumes that directly support the activities and goals of the program described in this section. The amount paid under this subdivision must not exceed 25% of the grant award.

(6) For Michigan-grown fruits, vegetables, and legumes that satisfy the requirements of subsection (5), the department shall make matching reimbursements in an amount not to exceed 10 cents for every school meal that is served as part of the United States Department of Agriculture's child nutrition programs.

(7) In awarding grants under this section, the department shall work in consultation with Michigan-based farm to school resource organizations, to develop scoring criteria that assess an applicant's ability to procure Michigan-grown products, prepare and menu Michigan-grown products, promote and market Michigan-grown products, and submit letters of intent from districts or other non-school sponsors on plans for educational activities that promote the goals of the program.

(8) The department shall give preference to districts or other non-school sponsors that propose educational activities that meet 1 or more of the following: promote healthy food activities; have clear educational objectives; involve parents or the community; connect to a school's or child care center's farm-to-school or farm-to-early-child-care procurement activities; and market and promote the program, leading to increased pupil knowledge and consumption of Michigan-grown products. The department shall give stronger weighting and consideration to applications with robust marketing and promotional activities.

(9) In awarding grants, the department shall also consider all of the following:

(a) The percentage of children who qualify for free or reduced price school meals under the Richard B. Russell national school lunch act, 42 USC 1751 to 1769j.

(b) The variety of school or child care center sizes and geographic locations within the identified prosperity regions.

(c) Existing or planned collaboration between child care sponsors, between districts, or with agricultural businesses and essential local food infrastructure, such as farms, farm cooperatives, processors, distributors, and local food hubs.

(10) As a condition of receiving a grant under this section, a district or other non-school sponsor shall provide or direct its vendors to provide to the department copies of monthly receipts that show the quantity of different

Michigan-grown fruits, vegetables, and legumes purchased, the amount of money spent on each of these products, the name and Michigan location of the farm that grew the products, and the methods or plans to market and promote the program. The district or other non-school sponsor also shall provide to the department monthly United States Department of Agriculture child nutrition reimbursable meal numbers and must retain monthly menus noting when and how Michigan-grown products were used in meals. The district or other non-school sponsor and school or non-school sponsor food service director or directors also shall agree to respond to brief online surveys and to provide a report that shows the percentage relationship of Michigan spending compared to total food spending. By not later than 60 days after the end of the period in which funds under this section were received, and in which federal child nutrition programs require submission of claims, each district or each non-school sponsor shall submit a report to the department on outcomes and related measurements for economic development and children's nutrition and readiness to learn. The report must include at least both of the following:

(a) The extent to which farmers and related businesses, including distributors and processors, saw an increase in market opportunities and income generation through sales of Michigan or local products to districts and other non-school sponsors. All of the following apply for purposes of this subdivision:

(i) The data used to determine the amount of this increase are the total dollar amount of Michigan or local fruits, vegetables, and legumes purchased by schools and other non-school sponsors, along with the number of different types of products purchased; school and non-school sponsor food purchasing trends identified along with products that are of new and growing interest among food service directors; the number of businesses impacted; and the percentage of total food budget spent on Michigan-grown fruits, vegetables, and legumes.

(ii) The district or other non-school sponsor shall use purchasing data collected for the program and surveys of school and non-school sponsor food service directors on the impact and success of the program as the source for the data described in subparagraph (i).

(b) The ability to which pupils can access a variety of healthy Michigan-grown foods through schools and other non-school sponsor centers and increase their consumption of those foods. All of the following apply for purposes of this subdivision:

(i) The data used to determine whether this subdivision is met are the number of pupils exposed to Michigan-grown fruits, vegetables, and legumes at schools and non-school sponsor centers; the variety of products served; new items taste-tested or placed on menus; and the increase in pupil willingness to try new local healthy foods.

(ii) The district or other non-school sponsor shall use purchasing data collected for the project, meal count and enrollment numbers, school menu calendars, and surveys of school and non-school sponsor food service directors as the source for the data described in subparagraph (i).

(11) The department shall compile the reports provided by districts and other non-school sponsors under subsection (10) into 1 legislative report. The department shall provide this report not later than April 1 of each fiscal year following the fiscal year for which funding is allocated under this section to the house and senate subcommittees responsible for school aid, the house and senate fiscal agencies, and the state budget director.

(12) Notwithstanding section 17b, the department shall make payments under this section on a schedule determined by the department.

**History:** Add. 2016, Act 249, Eff. Oct. 1, 2016 ;-- Am. 2017, Act 108, Eff. Oct. 1, 2017 ;-- Am. 2017, Act 143, Imd. Eff. Nov. 2, 2017 ;-- Am. 2018, Act 265, Eff. Oct. 1, 2018 ;-- Am. 2018, Act 586, Imd. Eff. Dec. 28, 2018 ;-- Am. 2020, Act 146, Imd. Eff. July 31, 2020 ;-- Am. 2020, Act 165, Eff. Oct. 1, 2020 ;-- Am. 2021, Act 48, Eff. Oct. 1, 2021 ;-- Am. 2022, Act 144, Imd. Eff. July 14, 2022 ;-- Am. 2023, Act 103, Eff. Oct. 1, 2023 ;-- Am. 2024, Act 120, Eff. Oct. 1, 2024