

26 market price for each food product on the invoice date at the
27 closest shipping point as reported by the United States
28 Department of Agriculture's Market News.

29 2. "Food producer" means an agricultural company, or their
30 associated shipper, that produces fresh food products in the
31 state.

32 3. "Food recovery entity" means a nonprofit association
33 engaged in food recovery and distribution that has at least 10
34 years of operation in the state and has received a minimum of 10
35 million pounds of perishable fresh food products annually for
36 the last 3 years.

37 4. "Fresh food products" means high-quality fresh fruits,
38 vegetables, proteins, and dairy produced by a food producer that
39 are delivered to their final destination for charitable
40 distribution and meet United States Department of Agriculture
41 commodity standards and grades upon such delivery.

42 (b) Subject to legislative appropriation, the department
43 shall implement a pilot program for food recovery entities to
44 negotiate a discounted price for fresh food products so that the
45 fresh food products can be exclusively distributed for
46 charitable purposes to relieve human hunger in the state.

47 (c) Food recovery entities must negotiate and pay no more
48 than 50 percent of the current wholesale market price to a food
49 producer for the purchase of food products. The harvest or
50 processing date and the current wholesale market price of each

51 fresh food product purchased and the shipment destination must
52 be included by invoice, bill of lading, or other documents from
53 the food producer to the food recovery entity.

54 (d) Food recovery entities may reject any fresh food
55 product that does not meet the quality standards of the food
56 recovery entity.

57 (e) The department shall reimburse a food recovery entity
58 for each negotiated purchase of fresh food products and an
59 additional 2 cents per pound of fresh food products purchased
60 for costs to deliver and distribute the fresh food products for
61 charitable purposes. To receive reimbursement, a food recovery
62 entity must:

63 1. Certify in writing that:

64 a. The fresh food products meet the quality standards of
65 the food recovery entity.

66 b. The purchased fresh food products will not be sold to
67 wholesale, retail, or secondary markets for monetary gain.

68 c. Each fresh food product was purchased at a discounted
69 price.

70 2. Submit an invoice as prescribed by the department,
71 which includes the following information:

72 a. Shipment date.

73 b. Shipment location by shipper and city.

74 c. Number of packages shipped and the price for each fresh
75 food product.

76 | d. Total price paid for each fresh food product.
 77 | e. Total invoice price paid.
 78 | f. Total pounds shipped by measured weight or by estimate
 79 | of the fresh food product.
 80 | (f) The department shall submit a report on the pilot
 81 | program to the Governor, the President of the Senate, and the
 82 | Speaker of the House of Representatives by January 1, 2025, and
 83 | by each January 1 thereafter. The report must include all of the
 84 | following:
 85 | 1. Each fresh food product by package size, total number
 86 | of packages, and average price per package.
 87 | 2. Each fresh food product by total pounds and total
 88 | average price per pound.
 89 | 3. Total dollars spent on each fresh food product and
 90 | total dollars spent on all fresh food products.
 91 | (g) The department shall adopt rules to implement this
 92 | subsection.
 93 | (h) This subsection expires on January 1, 2028.
 94 | Section 2. This act shall take effect July 1, 2024.