



SB 490 (Caballero) The Buy American Food Act: public institutions: purchase of
nondomestic agricultural food products

Status: SB 490 passed out of Senate on August 31, 2022 on a 39-1 vote.

The measure is now on the Governor's desk.

CSNA Position: Oppose; veto requested

Summary: This bill would require all California state-owned or state-run education institutions that receive federal meal reimbursement, including public universities and colleges and LEAs, that purchase agricultural products to only purchase an agricultural product grown, packed, or processed in the United States unless the nondomestic product is more than 25% cheaper than the domestic product or the quality of the domestic agricultural food product is inferior to the quality of the nondomestic product. The bill would exempt an LEA with annual federal meal reimbursement funding of less than \$1,000,000. The language of SB 490 was originally introduced in Senate Bill 1308.

CSNA legislative advocates, Capitol Advisors, along with CSNA leadership, the PPL chairs and our advocacy partners such as CASBO, CSBA, and ACSA, have worked very hard the last 6 months to ensure that the proposed bill from Senator Caballero is in the best interest of school districts throughout the State. When the bill was originally proposed as SB 1308, Capitol Advisors met with the Senator's staff to discuss how this proposed legislation would impact food service programs and school districts as a whole. CSNA sent several letters to the Senator calling out the specific concerns and ramifications that this bill would have. CSNA and Capitol Advisors worked together to propose amendments that would protect school districts from increased costs and additional work. When no progress was made on changing the proposed language CSNA took an oppose position on the bill.

Capitol Advisors collaborated with other educational agencies like, California School Boards Association, (CSBA), the Association of California School Administrators (ACSA), the California Association of School Business Officials (CASBO), and the California County Superintendents Educational Services Association (CCSESA) to oppose the bill in order to protect food service programs and school districts. Legislative leaders saw the harm that this bill would cause and SB 1308 was held in committee, and thus died, over the summer. Unfortunately, through the legislative process, Senator Caballero took the language of SB 1308, with a few modifications, and put it into another one of her bills. SB 1308 was able to resurface as SB 490 and passed through the Assembly Agriculture Committee easily and is now on Governor Newsom's desk waiting to be signed or vetoed.



Capitol Advisors has continued to work diligently, reaching out to organizations and other entities, including the Governor's staff, to encourage the Governor to veto this legislation. As of now, the Governor has until September 30th to act on the bill.

What can you do as a CSNA member?

- Be prepared to answer questions about the content of the bill
- Know how this bill would impact your food service program specifically, if adopted

Important Highlights of the Bill and Consequences

- Prohibits school districts from purchasing non-domestic agricultural food products unless there was a price difference of 25%, currently the price difference is 5%.
 - Significant financial impact to school districts
 - Currently there is a limited amount of supply for some of these items and this bill will force an increase of demand
- Requires monitoring and reporting to CDE any price increases exceeding 25%
 - Increases work for school districts above and beyond the already required procurement regulations
- Requires school districts to include in their solicitation for bids and contracts that only the purchase of domestic agricultural food products is authorized unless there is a price differential
 - Opens school districts for price gouging
 - Limits food choices which decreases variety
- Requirement to implement for 5 years
 - This is a long period of time and could have significant financial implications to districts in 5 years

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Included:
CSNA Coalition Veto Request
CSNA Veto Request