

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1833**  
**95TH GENERAL ASSEMBLY**

4101L.06C

D. ADAM CRUMBLISS, Chief Clerk

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**AN ACT**

To repeal sections 273.327 and 273.329, RSMo, and to enact in lieu thereof six new sections relating to animals and agriculture, with a penalty provision.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 273.327 and 273.329, RSMo, are repealed and six new sections  
2 enacted in lieu thereof, to be known as sections 144.527, 261.325, 261.328, 267.810, 273.327,  
3 and 273.329, to read as follows:

**144.527. 1. In addition to the exemptions granted under this chapter, there shall  
2 also be specifically exempted from state and local sales and use taxes defined, levied, or  
3 calculated under sections 32.085 and 32.087, sections 144.010 to 144.525, sections 144.600  
4 to 144.761, and section 238.235 all sales of farm products sold at a farmers' market within  
5 one hundred miles of the vendor's farm where the farm products were grown or produced  
6 by any vendor with annual sales of farm products of twenty thousand dollars or less.**

**7 2. For purposes of this section "farm products" shall mean any fresh fruits,  
8 vegetables, mushrooms, nuts, shell eggs, honey or other bee products, maple syrup or  
9 maple sugar, flowers, nursery stock and other horticultural commodities, livestock food  
10 products, including meat, milk, cheese, and other dairy products, food products of  
11 "aquaculture", as defined in subsection 1 of section 277.024, including fish, oysters, clams,  
12 mussels, and other molluscan shellfish taken from the waters of the state, products from  
13 any tree, vine, or plant and other flowers, or any of the products listed in this subdivision  
14 that have been processed by the participating farmer, including, but not limited to, baked  
15 goods made with farm products.**

**16 3. For purposes of this section "farmers' market" shall mean a cooperative or  
17 nonprofit enterprise or association that consistently occupies a given site throughout the**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 season, which operates principally as a common marketplace for a group of farmers to sell  
19 farm products directly to consumers, and where the products sold are produced by the  
20 participating farmers with the sole intent and purpose of generating a portion of household  
21 income.

261.325. 1. Sections 261.325 and 261.328 shall be known and may be cited as the  
2 "Farm to Institution Initiative".

3 2. For the purposes of sections 261.325 and 261.328, the following terms shall mean:

4 (1) "Food system", the network of agricultural production, food processing,  
5 distribution, retail, and consumption related to our food supply, and the transformation  
6 of raw materials into foods for human consumption in which actions in one food system  
7 sector influences all others;

8 (2) "Small agribusiness", an independent agribusiness that produces or processes  
9 Missouri food products with gross annual sales of less than five million dollars;

10 (3) "Small farm" or "small farmer", an independent family-owned farm in the  
11 state of Missouri with at least one family member working in the day-to-day operation of  
12 the farm.

13 3. There is hereby created the "Farm to Institution Initiative" within the  
14 agriculture business development division within the department of agriculture. Subject  
15 to appropriation, the division may employ staff to carry out the functions of sections  
16 261.325 and 261.328.

17 4. The mission of the farm to institution initiative created in this section shall be to  
18 improve public awareness of and access to the agricultural products that are produced or  
19 processed by small farmers and small agribusinesses, to promote a sustainable Missouri  
20 food system, and to enable more food dollars to stay within the state's economy. To  
21 accomplish this mission, the division will provide technical and financial assistance to small  
22 farmers and small agribusinesses for the branding, marketing, and distribution of locally-  
23 grown Missouri agricultural products. The division may coordinate with the departments  
24 of elementary and secondary education, health and senior services, corrections, mental  
25 health, and economic development to promote the economic benefits as well as health  
26 benefits of the initiative.

27 5. The duties of the farm to institution initiative shall be to:

28 (1) Administer the Missouri farm to institution program created under section  
29 261.328;

30 (2) Collaborate with the AgriMissouri brand program created under section  
31 261.230 by:

32 (a) Assisting small farmers and small agribusinesses in marketing locally grown  
33 and processed agricultural products within this state;

34 (b) Supporting a marketing plan for Missouri-grown and -processed agricultural  
35 products produced by small farmers and small agribusinesses;

36 (3) Collaborate with the university extension and other state and regional programs  
37 that promote state and regional programs that promote diversification of agricultural  
38 production by local farmers to expand local food production to meet increased consumer  
39 demands in Missouri;

40 (4) Seek funding for the initiative by gift, bequest, donation, and other sources for  
41 the issuance of grants. All moneys shall be held in the farm to institution initiative fund  
42 created under subsection 5 of section 261.328;

43 (5) Administer funding for the initiative's operations and programs; and

44 (6) Promulgate rules for the programs in this section. Any rule or portion of a rule,  
45 as that term is defined in section 536.010, that is created under the authority delegated in  
46 this section shall become effective only if it complies with and is subject to all of the  
47 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536  
48 are nonseverable and if any of the powers vested with the general assembly pursuant to  
49 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
50 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
51 proposed or adopted after August 28, 2010, shall be invalid and void.

261.328. 1. The department of agriculture, in collaboration with the departments  
2 of elementary and secondary education, health and senior services, and economic  
3 development, shall create the "Farm to Institution Program" to reduce obesity and  
4 improve nutrition and public health, as well as strengthen local agricultural economies by  
5 increasing access to and promoting the consumption of locally grown foods and enabling  
6 more food dollars to stay within this state.

7 2. The first phase of the farm to institution program shall be the establishment of  
8 the "Farm Fresh Schools Program" which shall:

9 (1) Link schools with local and regional farms in order to provide schools with  
10 locally grown foods for inclusion in school meals, vending machines, salad bars, and  
11 snacks;

12 (2) Develop nutritional awareness, healthy eating habits, and physical activity for  
13 overall wellness of students;

14 (3) Emphasize the purchase of locally grown foods by schools to improve child  
15 nutrition, strengthen local and regional farm economies, and enable food dollars to stay  
16 within Missouri;

17           **(4) Establish a goal of ten percent by 2013, increasing to twenty percent by 2018 of**  
18 **total food purchased by school cafeterias being procured from local small farmers and**  
19 **small agribusinesses; and**

20           **(5) Identify existing resources for processing foods locally and identify funding**  
21 **sources for expanding local food processing facilities to meet increased demands for locally**  
22 **processed foods.**

23           **3. The second phase of the farm to institution program shall be the establishment**  
24 **of a "Farm to Cafeteria Program", which shall:**

25           **(1) Build partnerships required to reform state institution food procurement**  
26 **policies to facilitate the purchase of locally grown foods to the maximum extent practical;**

27           **(2) Link state institution cafeterias with local and regional small farms to provide**  
28 **cafeterias with locally grown foods for inclusion in meals, salad bars, and snacks;**

29           **(3) Emphasize and promote the purchase of locally grown foods by state institution**  
30 **cafeterias to improve access to Missouri-grown and -processed food products, develop the**  
31 **local food system, strengthen local and regional farm economies, and enable more food**  
32 **dollars to stay within Missouri;**

33           **(4) Establish a goal of ten percent by 2020, increasing to twenty percent by 2028 of**  
34 **total food purchased by state institution cafeterias being procured from local small farmers**  
35 **and small agribusinesses; and**

36           **(5) Identify and update existing resources for processing foods locally and identify**  
37 **funding sources for expanding local food processing facilities to meet increased demands**  
38 **for locally grown foods.**

39           **4. In implementing the farm to institution program, the departments of agriculture,**  
40 **elementary and secondary education, health and senior services, corrections, mental health,**  
41 **and economic development shall:**

42           **(1) Amend school and state institution cafeteria procurement regulations to:**

43           **(a) Include in the department's website a mechanism to link farmers, processors,**  
44 **schools, and institutions for the purpose of locally grown food procurement;**

45           **(b) Coordinate with local and federal authorities to obtain resources necessary to**  
46 **accomplish the goal of building a farm and food network which facilitates the expansion**  
47 **of the numbers of farmers growing local food products, food processing, and**  
48 **transportation, distribution mechanisms for locally grown foods, and marketing to create**  
49 **awareness of the benefits of supporting a locally grown and sustainable food system;**

50           **(c) Revise food procurement procedures to remove barriers and maximize the**  
51 **purchase of locally grown foods by schools and state institutions; and**

52 (d) Encourage state food contracts to include a plan to maximize the purchase of  
53 locally grown food;

54 (2) Facilitate workshops, training sessions, and technical assistance to farm, food  
55 processing, and school food service personnel;

56 (3) Assist schools in developing and implementing nutrition education curricula  
57 that include locally grown foods and gardening; and

58 (4) Promote development of school gardens and encourage local authorities to  
59 permit school-grown foods to be served in school cafeterias.

60 5. (1) There is hereby created in the state treasury the "Farm to Institution  
61 Initiative Fund", which shall consist of moneys appropriated for the program, and any  
62 gifts, bequests, or donations to the program. The state treasurer shall be custodian of the  
63 fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve  
64 disbursements. Upon appropriation, money in the fund shall be used solely for the  
65 administration of this section.

66 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
67 remaining in the fund at the end of the biennium shall not revert to the credit of the  
68 general revenue fund.

69 (3) The state treasurer shall invest moneys in the fund in the same manner as other  
70 funds are invested. Any interest and moneys earned on such investments shall be credited  
71 to the fund.

72 6. The department of agriculture shall develop a request for proposals (RFP) for  
73 grants to expand the ability to produce, process, and distribute locally grown foods. The  
74 department of agriculture shall collaborate with the departments of elementary and  
75 secondary education, health and senior services, corrections, mental health, and economic  
76 development to jointly administer a process to review grant proposals and award grants  
77 from the farm to institution initiative fund on a competitive bid basis to eligible  
78 participants to implement the farm to institution program. The first six grants awarded  
79 under the program shall be awarded in counties with a significant agricultural economy  
80 based on need.

81 7. The department of agriculture, in consultation with the departments of  
82 elementary and secondary education, health and senior services, corrections, mental health,  
83 and economic development, shall promulgate rules to implement the provisions of this  
84 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
85 created under the authority delegated in this section shall become effective only if it  
86 complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
87 section 536.028. This section and chapter 536 are nonseverable and if any of the powers

88 vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
89 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the  
90 grant of rulemaking authority and any rule proposed or adopted after August 28, 2010,  
91 shall be invalid and void.

92 **8. Under section 23.253 of the Missouri sunset act:**

93 **(1) The provisions of the new program authorized under this section shall**  
94 **automatically sunset six years after the effective date of this section unless reauthorized by**  
95 **an act of the general assembly; and**

96 **(2) If such program is reauthorized, the program authorized under this section**  
97 **shall automatically sunset twelve years after the effective date of the reauthorization of this**  
98 **section; and**

99 **(3) This section shall terminate on September first of the calendar year immediately**  
100 **following the calendar year in which the program authorized under this section is sunset.**

**267.810. 1. There is hereby established within the department of agriculture the**  
2 **"Missouri Animal Care Advisory Committee". The Missouri animal care advisory**  
3 **committee shall have the authority to review and make recommendations on the welfare**  
4 **of poultry, livestock, and licensed dog breeding facilities in this state.**

5 **2. The committee shall be comprised of the following members:**

6 **(1) The director of the department of agriculture, who shall be a nonvoting member**  
7 **and serve as chair of the board;**

8 **(2) The chair of the Missouri Senate Agriculture Committee, who shall be a**  
9 **nonvoting member;**

10 **(3) The chair of the Missouri House Agriculture Committee, who shall be a**  
11 **nonvoting member;**

12 **(4) The state veterinarian;**

13 **(5) The chair of the University of Missouri Animal Sciences Division;**

14 **(6) The chair of the Missouri State University Animal Sciences Division;**

15 **(7) The University of Missouri Food Animal Veterinary Extension Specialist;**

16 **(8) A producer member representative of the Missouri Cattlemen's Association;**

17 **(9) A producer member representative of the Missouri Pork Association;**

18 **(10) A producer member representative of the Missouri Egg Council;**

19 **(11) A producer member representative of the Missouri Dairy Association;**

20 **(12) A producer member representative of the Poultry Federation;**

21 **(13) A producer member representative of the Missouri Corn Growers Association;**

22 **(14) A producer member representative of the Missouri Soybean Association;**

23 **(15) A producer member representative of the Missouri Farm Bureau;**

- 24           **(16) A member representative of the Equine Council;**  
25           **(17) A member representative of the Missouri Livestock Marketing Association;**  
26 **and**  
27           **(18) A member representative of the Missouri Federation of Animal Owners.**  
28           **3. The committee shall review the animal care practices related to poultry,**  
29 **livestock, and licensed dog breeding facilities in this state and, when necessary, make**  
30 **recommendations to the general assembly. When reviewing such practices, the committee**  
31 **shall consider all of the following:**  
32           **(1) The health and husbandry of poultry, livestock, and dogs at licensed dog**  
33 **breeding facilities;**  
34           **(2) Generally accepted farm management practices;**  
35           **(3) Generally accepted veterinary standards and practices;**  
36           **(4) The economic impact on poultry and livestock farmers, licensed dog breeders,**  
37 **consumers, and the affected sector as a whole;**  
38           **(5) Species specific animal care guidelines established by the respective national**  
39 **poultry, livestock, and licensed dog breeders organizations.**  
40           **4. The committee shall review national species specific animal care guidelines once**  
41 **every five years.**  
42           **5. Members of the committee shall not be compensated for their service on the**  
43 **committee. Members of the committee shall serve as long as they hold their respective**  
44 **positions or until they are replaced on the committee by their respective organizations.**  
45           **6. The department of agriculture shall provide technical support to the board and**  
46 **provide a meeting place for the committee.**  
47           **7. All meetings, business, and activities of the board shall be subject to the**  
48 **provisions of chapter 610.**

273.327. No person shall operate an animal shelter, pound or dog pound, boarding  
2 kennel, commercial kennel, contract kennel, pet shop, or exhibition facility, other than a limited  
3 show or exhibit, or act as a dealer or commercial breeder, unless [he] **such person** has obtained  
4 a license for such operations from the director. An applicant shall obtain a separate license for  
5 each separate physical facility subject to sections 273.325 to 273.357 which is operated by the  
6 applicant. Any person exempt from the licensing requirements of sections 273.325 to 273.357  
7 may voluntarily apply for a license. Application for such license shall be made in the manner  
8 provided by the director. The license shall expire annually unless revoked. As provided by rules  
9 to be promulgated by the director, the license fee shall range from one hundred to five hundred  
10 dollars per year. Pounds[,] **or** dog pounds [and animal shelters] shall be exempt from payment

11 of such fee. License fees shall be levied for each license issued or renewed on or after January  
12 1, 1993.

273.329. 1. The director may refuse to issue or renew or may revoke a license on any  
2 one or more of the following grounds:

3 (1) Material and deliberate misstatement in the application for any original license or for  
4 any renewal license under sections 273.325 to 273.357;

5 (2) Disregard or violation of sections 273.325 to 273.357 or of any rules promulgated  
6 pursuant thereto;

7 (3) Conviction of any violation of any state or federal law relating to the disposition or  
8 treatment of animals;

9 (4) Failure to provide adequate food, water, housing or sanitary facilities for animals  
10 under the control of an animal shelter, boarding kennel, commercial breeder, commercial kennel,  
11 contract kennel, dealer, pet shop, pound, or exhibitor as defined by regulations of the USDA.

12 **2. The department of agriculture shall not retain, contract with, or otherwise utilize**  
13 **the services of the personnel of any nonprofit organization for the purpose of inspection**  
14 **or licensing of any animal shelter, pound, or dog pound, boarding kennel, commercial**  
15 **kennel, contract kennel, commercial breeder, hobby or show breeder, or pet shop under**  
16 **sections 273.325 to 273.357.**

17 **3. Operation of an animal shelter, pound or dog pound, boarding kennel, commercial**  
18 **kennel, contract kennel, pet shop, or exhibition facility, or activity as a commercial breeder or**  
19 **dealer without a valid license shall constitute a class A misdemeanor.**

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