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SENATE BILL 595

47TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2005

INTRODUCED BY

Cynthia Nava

AN ACT

RELATING TO HEALTH; REQUIRING A PERMIT FROM THE DEPARTMENT OF HEALTH TO SELL CERTAIN FOOD OR DRINK IN PUBLIC SCHOOLS; CREATING A FUND; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. PUBLIC SCHOOL FOOD AND DRINK VENDOR PERMIT

REQUIRED--STUDENT WELLNESS FUND CREATED. --

A. Except as provided in Subsection D of this section, a person shall not offer food or drink for sale in a public school without a valid public school food and drink vendor permit for that school. A school district or public school shall not enter into any agreement or otherwise allow a person to offer food or drink for sale in a public school unless that person has a valid public school food and drink vendor permit for that school.

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- В. Public school food and drink vendor permits shall be issued by the department of health and shall be valid from the date issued through the following June 30. department shall impose the following fees for the permits:
- seven hundred fifty dollars (\$750) for a permit to sell food or drink in a public school facility that includes a high school;
- five hundred dollars (\$500) for a permit **(2)** to sell food or drink in a public school facility that does not include a high school but includes a middle school; and
- two hundred fifty dollars (\$250) for a permit to sell food or drink in a public school facility that contains only an elementary school.
- The requirement for a public school food and drink vendor permit applies to:
- each person who owns or leases one or more vending machines that are placed in a public school for the purpose of dispensing food or drink; and
- unless exempted pursuant to Subsection D of this section, each person who operates a location in a public school, other than a vending machine, from which food or drink is sold.
- D. The requirement for a public school food and drink vendor permit does not apply to:
- **(1)** a person selling food or beverage as part . 153842. 3

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of a school meal program that meets guidelines established by the United States department of agriculture; or

- (2) a nonprofit organization temporarily selling food or drink from a location other than a vending machine.
- E. Receipts from the issuance of public school food and drink vendor permits shall be deposited by the department of health into the "student wellness fund", hereby created in the state treasury. Earnings from investment of the student wellness fund shall be credited to the fund. Money in the student wellness fund is subject to appropriation by the legislature for school-based health centers and child nutrition and wellness education activities. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert. Disbursements from the student wellness fund shall be made upon warrants drawn by the secretary of finance and administration pursuant to vouchers signed by the secretary of health.
- F. The secretary of health and the secretary of public education shall jointly promulgate such rules as are necessary to carry out the provisions of this section, including procedures for an application process for schools to apply for grants from the student wellness fund.
- Section 2. TEMPORARY PROVISION--EXISTING VENDING MACHINE CONTRACTS. --

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- A. A person who owns or leases one or more vending machines that are in a public school on July 1, 2005, and otherwise subject to the requirement for a public school food and drink vendor permit pursuant to Section 1 of this act, may, subject to the provisions of Subsection B of this section, continue dispensing food or drink without a permit if:
- (1) each vending machine is in the public school pursuant to a contract entered into prior to January 1, 2005;
- $\mbox{(2) the term of the contract extends beyond} \label{eq:contract} \mbox{July 1, 2005; and}$
- (3) the contract does not allow the vending machine to be removed from the public school prior to July 1, 2005.
- B. A person meeting the qualifications of Subsection A of this section who does not increase the number of vending machines in the school is exempt from the requirement for a public school food and drink vendor permit until the date that the contract terminates or any earlier date, specified in the contract, that allows the vending machine to be removed from the school or provides for contract renegotiation.

Section 3. EFFECTIVE DATE. -- The effective date of the provisions of this act is July 1, 2005.