



H.165: An Act Relating to School Food Programs and Universal School Meals



Bill Summary

H.165 would make the Universal School Meals Program currently in operation permanent, beginning with the 2023-2024 school year. H.165, as amended by the House Committee on Agriculture, Food Resiliency and Forestry, makes some changes to the Universal School Meals Act (Act 151 of 2022) to address technical issues raised by the Agency of Education, but does not change the fundamental policy enacted last year, because everyone agrees that Act 151 is working very well.

- H.165 would require all public schools in Vermont to make available breakfast and lunch at no charge to all students.
- The Universal Meals Supplement would fill the gap left by existing federal and state per-meal reimbursements, so that school meal programs receive the full “free rate” amount (as set by the USDA) for every breakfast and lunch they serve to students that meet federal nutrition rules.
 - Funding for the Universal Meals Supplement would come permanently from the Education Fund in the same way as funding for transportation and other categorical expenses.
 - A specific Education Fund appropriation to cover the Universal Meal Supplement would still be required for the 2023-24 school year.
- Approved independent schools physically located in Vermont, and that participate in the National School Lunch and School Breakfast Programs, may opt into the universal school meals program and receive state reimbursement for meals provided to students who attend on public tuition.
- In order to receive state funds to cover the student share of paid meals, both public and approved independent schools would be required to maximize access to federal funds by participating in whichever provision of the National School Lunch and School Breakfast Acts will yield the best federal per-meal reimbursement rate (generally either the Community Eligibility Provision or Provision 2). If the Agency of Education determines that a better federal reimbursement rate could be achieved, it may require schools to update the method they are using to provide universal meals.
 - The wise inclusion of this provision in Act 151—and also in H.165—ensures that every school in Vermont is maximizing federal funding for school meals and controlling state costs. While other states that have enacted universal school meals without this requirement have seen higher than expected costs, in Vermont Universal School Meal Program costs are lower than expected.
- In operating their school breakfast and lunch programs, school districts and approved independent schools shall seek to achieve the highest level of student participation in their meal programs.
 - Options may include providing breakfast meals that can be picked up by students, making breakfasts available to students after the start of the school day, and collaborating with the school’s community wellness advisory council in planning meals. Schools may determine which options are right for them.
- Time spent by students consuming school meals during class continues to count as instructional time (codifying what has already been the policy of the Agency of Education since 2015, and what is current policy in Act 151).
- Private nonprofit childcare centers that are approved by the Agency of Education to serve public Prek students, are enrolled in a public school district’s School Food Authority, and are being provided with meals from the school district under the National School Lunch and School Breakfast Programs would be required to provide universal meals (per USDA regulations). The school district providing the meals would receive any applicable Universal School Meals supplement.
- A technical change to the Local Food Purchasing Incentive (from Act 67) requested by the Agency of Education was added that clarifies that independent schools eligible to receive the Universal Meals Supplement may also participate in the Local Food Purchasing Incentive.

Cost Estimates Are Lower for Future Years

The estimated cost of Vermont’s Universal School Meals Program is lower than originally projected. The Joint Fiscal Office now estimates a cost of \$28 million for the 2023-24 school year. The combination of direct certification of students through Medicaid data, and the higher number of Vermont schools that will be eligible to use the Community Eligibility Provision (CEP) in the future will likely lower costs yet further starting in future years.