

**Testimony regarding universal school meals before for the Vermont House Committee on
Commerce and Economic Development
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My name is Molly Betournay. I am the director of social research and advocacy at Clean Yield Asset Management, a registered investment advisory firm and Vermont Benefit Corp based in Norwich. Clean Yield manages socially and environmentally screened investment portfolios for individuals and families, nearly half of whom are Vermont residents. We also manage a portfolio of investments in small and growing Vermont businesses, with a focus on businesses in the sustainable food and agriculture system. Previously I was a director of sustainable and impact investing at Pathstone Federal Street in Boston, where I helped families and foundations align their values and missions with their investments. I have over a decade of investment industry experience.

I am here to testify in support of universal school meals from the small business perspective, on behalf of Hunger Free Vermont. As you have heard, universal school meals have been linked with compelling education outcomes. There are benefits to Vermont businesses that are important and should be considered as well. I see three primary benefits:

- ***First, universal school meals help build a more inclusive economy by levelling the opportunities offered in schools, instead of reinforcing the economic status quo in which income disparity grows.*** According to a 2017 study, students at schools with free lunches for all had an average of 3% greater lifetime earnings than children at schools without lunch programsⁱ. The study found even greater benefits for children from poor households – which supports equality. Increased equality is linked with economic growth. Research from the Brookings Institution has shown that areas with higher equality of opportunity experience faster economic growthⁱⁱ. Businesses for Social Responsibility, a leading nonprofit focused on building a more just and sustainable world, sheds light on why this may be: “inclusion drives innovation and expands market opportunity, mitigates risks, improves operating environments, and promotes long-term growth and a strong middle

class.”ⁱⁱⁱ Moving to a universal school meals model presents an opportunity to support economic inclusion and drive sustainable growth in Vermont.

- ***Second, universal school meals can help support local farmers and strengthen local food systems.*** According to data collected by Hunger Free Vermont, 64% of the schools currently providing universal school meals report that they have increased their purchasing of local food – this is because most schools that move to a universal school meal model see an improvement in their school meal program finances, which allows them to spend more money on local food.

According to the Farm to School Network, “Each dollar invested in farm to school [programs] stimulates \$0.60 to \$2.16 of local economic activity”.^{iv} This increased local purchasing represents an “average 5% increase in income” for farmers and a new long-term revenue stream.^v Universal school meals can increase the resilience of Vermont farmers and its food system.

- ***Finally, universal school meals can promote workforce development by strengthening VT’s future workforce and helping to attract and retain workers from afar.*** As the folks at Hunger Free have spoken to, universal school meals improve academic achievement – which will result in a stronger, better prepared workforce for Vermont businesses. In addition, universal school meals improve academic outcomes which strengthens schools overall – making them more attractive to workers considering a move to Vermont. Universal school meals can help strengthen Vermont’s workforce and help bring new workers to the state.

In closing, we urge you to seriously consider the potential benefits of universal school meals to Vermont broadly. Income inequality and brain drain are real challenges facing Vermont, and something that small businesses care about. Universal school meals, I believe, is one step Vermont can take that will help address both of these issues. Thank you for your time.

ⁱ <http://ftp.iza.org/dp11234.pdf>

ⁱⁱ <https://www.brookings.edu/research/opportunity-for-growth-how-reducing-barriers-to-economic-inclusion-can-benefit-workers-firms-and-local-economies/>

ⁱⁱⁱ <https://www.bsr.org/en/expertise/inclusive-economy>

^{iv} <http://www.farmtoschool.org/resources/BenefitsFactSheet.pdf>

^v Ibid.